HOUSE OF REPRESENTATIVES—*Thursday, June 8, 1989*

The House met at 10 a.m.

The Reverend William H. Carr, St. Augustine's Catholic Church, Richmond, VA, offered the following prayer:

All powerful and ever-living God, we do well to offer You praise today, and to give You thanks in all we do.

You spoke a message of peace and taught us to live as brothers and sisters. Your message took form in the vision of our forefathers as they fashioned a nation where men and women might live as one. Your message lives on in our midst as a task for us today and a promise for tomorrow.

We thank You, Father, for Your blessings in the past and for all that, with Your help, we must yet achieve. Send Your blessing, we pray, upon this body; help them to acknowledge that You are the Ruler of Nations and that, with Your divine help, peace and justice can be achieved in this land, in this world.

Help us, O God, for You are God, now and always. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair will ask the gentleman from Wisconsin [Mr. OBEY] if he would kindly come forward and lead the membership in the Pledge of Allegiance.

Mr. OBEY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

WELCOME TO THE REVEREND WILLIAM H. CARR

(Mr. BLILEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, today I rise to welcome our guest chaplain, the Reverend William H. Carr of St. Augustine's Catholic Church in Richmond.

This year Father Carr celebrates the 20th anniversary of his ordination to the priesthood. Over the past 20 years he has touched the lives of many Virginians, but he especially has enriched the lives of the State's youth. For 5 years Father Carr served as the State director for Catholic youth activities. In the early 1970's he organized masses in Richmond to spiritually support the families of young soldiers being held as prisoners of war in Vietnam.

Even with his involvement in community work, Father Carr has continued to devote much of his time and energy to his parish and is well-loved by the congregation of St. Augustine's where he has been pastor for 6 years.

I ask my colleagues to join me in congratulating this highly esteemed clergyman who has committed his life to God and to serving his fellow man.

WHISTLEBLOWER PROTECTION FOR CONTRACT EMPLOYEES

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, one of the very first major pieces of legislation that President Bush signed this year was the Whistleblower Protection Act. This was for people in the civil service, and I was very, very proud that he made that an early-on signature, because President Reagan had vetoed it. I think he sent the wrong message.

I am very pleased now that we have dealt with whistleblower protections for defense employees, whistleblower protections for civil employees, but we have not dealt with the contract employees, and that is very important.

In my district we are seeing a terrific scandal with the DOE and a nuclear weapons plant that was all brought to light by whistleblowers.

We have known that defense contract whistleblowers have been important in showing waste, fraud, and abuse, and NASA whistleblowers, when pointing out that the O-rings did not work.

Yesterday I introduced the whistleblower protection for contract employees. I think it is very important that we close the gap in this whole area and make the circle complete. I certainly hope people will join me in cosponsoring it and, once and for all, when people do the right thing and help us fight waste, fraud, and abuse, they are protected rather than sacrificed.

ANOTHER CRISIS BREWING AT OUR FEET

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, there is another crisis brewing right at our feet, one of our own making.

In 1987, when the Congress passed OBRA, the Omnibus Budget Reconciliation Act of that year, it included a provision in it that mandated that by July 1, 1989, fast approaching us, nurse's aides in nursing homes would have to be certified and to pass competency examinations before they can retain their positions. This is a ghastly prospect for our nursing homes.

If Members talk to their own nursing homes in their districts and to the nursing communities within those nursing homes and to the nurse's aides themselves, they will find out many of them are going to resign, nurse's aides, rather than have to undergo a competency examination.

Some of them have been on the job offering tender care to our elderly patients for 20 years or more, who never had to take an examination, and yet are the most stalwart, best qualified, experienced people we have to tend to the ailing patient community in the nursing homes. We are cutting off our own noses to spite our faces when we insist that they become competent at something at which they are already competent.

I am asking Members to join in legislation that I have introduced and which now is lodged in subcommittees chaired by the distinguished gentleman from California [Mr. WAXMAN] and the distinguished gentleman from California [Mr. STARK], and ask them to have hearings on this matter so that we can see if we can at least grandfather in those long-time employees, nurse's aides, who have done such a splendid job until now.

TRIBUTE TO THE HONORABLE JOHN LEWIS

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, just 30 years ago in most parts of the South, a young black man could not enter the college of his choice, no matter how bright or energetic he might have been. JOHN LEWIS, who today is our colleague in this House, was one of

many whose educational aspirations were limited by the segregation policies of that day.

Last week, in an act which is symbolic of the progress of race relations in our region, and indeed across the entire Nation, JOHN LEWIS was awarded an honorary doctorate of law degree from Troy State University in Alabama. It was Troy State which, 30 years earlier, as an all white institution, refused to even consider his application to enter its undergraduate program.

Ironically, JOHN LEWIS' letter to Dr. Martin Luther King, Jr., seeking support for his application to Troy State, led to JOHN'S historic involvement in the civil rights movement.

All of us can be proud of the role our colleague, JOHN LEWIS of Georgia, played in breaking down the barriers of racial segregation in this Nation. Thanks to his efforts and the devotion of so many others to the cause of civil rights, the color of their skin will never again prevent any of our young people from entering the college of their choice.

LEGISLATIVE PROGRAM

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, I ask for this time for the purpose of inquiring of my friend from California, the majority leader, the program for next week.

Mr. COELHO. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I am happy to yield to the gentleman from California.

Mr. COELHO. Mr. Speaker, on Monday next, we will meet at noon, and there will be no legislative business. On Tuesday, we will meet at noon, and we will have three suspensions. Recorded votes on the suspensions will be postponed until after the debate on all suspensions.

□ 1010

The gentleman has the bills in front of him. So I will not go through each one:

H.R. 1502, District of Columbia Police Authorization and Expansion Act of 1989;

H. Con. Res. 113, calling on the Government of Vietnam to expedite the release and emigration of reeducation camp detainees; and

H. Res. 120, to express the sense of the House in support of actions to eliminate preventable deaths and disabling illness, especially among children, and of efforts to attain the United Nations goals of universal childhood immunization by 1990 and health for all by the year 2000.

On Wednesday we will meet at noon and on Thursday we will meet at 10 a.m.

The bill under discussion for Wednesday and Thursday will be the rule on the Financial Institutions Reform, Recovery and Enforcement Act of 1989. We will do the rule; and then we will do the bill, starting on the bill itself on Wednesday and hoping to complete action on Thursday.

We will be sending the minimum wage bill to the President on Tuesday and depending on when the President takes action on that, and what action he might take, the House may then be required to take action next week. But that will all depend on the President's action.

On Friday the House will not be in session.

Mr. GINGRICH. Let me ask, if I might, two questions about what is coming up next week. The first is, as I am sure my colleague is aware, on Wednesday we have one of the major events of the year from the standpoint of the Republican Party involving the President of the United States, and that begins about 6:30. I was wondering if we can try to work out in such a way that by agreeing to go in at noon we can also try to rise in terms of any votes by around 6 on Wednesday and then be able to try to finish up on Thursday. I wonder if that might be possible.

Mr. COELHO. The distinguished Whip can be assured that the leadership will be very cooperative with this side of the aisle and with the President.

Mr. GINGRICH. Then, second, I wanted to ask for just a moment, there is some very real concern on our side of the aisle as we approach H.R. 1278 on Wednesday, which is one of the most important bills we will take up this year, the savings and loan bill, an extraordinarily important bill where there has been a lot of bipartisan effort, it is our understanding that a significant portion of the bill was rewritten after it came out of committee and that there may well be a parliamentary problem in terms of the bill that the committee voted out and the scale of corrections which exceeds the technical definition and becomes substantive, and I just wanted to let the House know that there may be some very real concerns raised both in the Committee on Rules and on the floor on Tuesday and Wednesday as we try to take it up. I would hope that on a bipartisan basis we can walk through what is, I think, a very difficult moment for both sides of the aisle since it is such an unusual procedure to have that scale of change in the bill after the committee has actually passed it out of committee.

I would be glad to yield if the gentleman would like to comment. I just wanted to lay that out as we discussed the schedule for next week.

Mr. COELHO. Mr. Speaker, I appreciate the information from the minority side. This is, of course, one of the more important bills that we consider in this session, and as it is an important bill for the administration, hopefully, it is something that we can work together on in a bipartisan way to report this bill out, to get it to the President quickly.

Mr. GINGRICH. Let me say finally, and I appreciate very much my colleague's help in all this, I think it is fair next week to say that we will probably end fairly late on Thursday and that Members should be aware of that and that in this week in particular I think it is Republicans who have to take some of the burden because of the comity being shown by the Democratic leadership. So for whatever inconvenience we have, I do think, as I understand it, there will be an effort to finish the bill, whatever it takes on Thursday. It is a very important bill and very high on the President's priorities.

So I just want to say publicly I realize full well to what degree your bending over to help us on Wednesday may lead us to bear a little bit of a burden for the length of time it takes on Thursday.

Mr. COELHO. If the gentleman will yield, I think the gentleman is correct. If we do rise at an early hour on Wednesday earlier than we anticipated because of activities involving the President that would necessitate us staying later on Thursday, and all Members should be so advised at this particular point.

Mr. UPTON. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Michigan.

Mr. UPTON. I thank the gentleman for yielding.

Mr. Speaker, does fairly late mean after 8 o'clock on Thursday?

Mr. COELHO. If the gentleman will yield, very late means however late you want to be to complete the bill.

Mr. GINGRICH. I think that is a fair point. This is a very important piece of legislation. As many people have said, it is a good time for us to go on and focus on legislation.

Mr. BARNARD. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Georgia.

Mr. BARNARD. I thank the gentleman for yielding.

Mr. Speaker, as a member of the Committee on Banking, Finance and Urban Affairs, and just by chance being here this morning to hear this dialog, I am somewhat concerned about the statement that so much of the bill has been rewritten after the committee has reported the bill. And I

would interpret from what the conversation was that there will be points of order brought against the bill because of that particular matter?

Mr. GINGRICH. If I might say to my friend who is a very distinguished leader in the Committee on Banking, it is my understanding—I am not on the Banking Committee and I am not expert in this area—it is my understanding that in the housing section of the bill there were some substantive rather than technical changes made without any consultation on the Republican side and after the bill had left the committee. I understand that there will be an effort made at the Rules Committee to ensure that the bill as written by the committee is a base vehicle and not the bill as rewritten. But certainly in the savings and loan sections there is no problem.

Mr. BARNARD. In other words, what the gentleman is saying is that is being communicated both at the Committee on Rules and the Committee on Banking so we are not going to have any surprises on the floor when this bill develops.

Mr. GINGRICH. No. In fact I might say the specific reason I wanted, with the generous help of the majority leader, to bring this out right now for Members to be aware is I think there is every possibility that on a bipartisan basis the leadership on both sides can solve it. But I would say on our side that it is such a fundamental question of the importance of the committee and what does it mean when you ask for technical corrections, that I think we would hope that we could have the base bill be the bill which came from the committee originally and not the bill as it apparently was revised.

Mr. BARNARD. Let me say I certainly concur in that. Our only admonition, of course, is that there be no surprises because this is one of the most important pieces of legislation that we are going to address this year. Up to this point it has been a bipartisan bill; we have taken the President's bill and we have worked with it as likewise the Senate has. So hopefully we will have all caution flags acknowledged before we get into the bill.

Mr. COELHO. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from California.

Mr. COELHO. I thank the gentleman for yielding.

Mr. Speaker, I want to say something before our colleague, the gentleman from Michigan [Mr. UPTON] leaves the floor: There was a question about how late Thursday night. I want to clarify that and say that we would anticipate staying late Thursday night, but if it is clear that we cannot complete the bill Thursday night as a result of us rising early on Wednesday, the membership should be on notice that we will meet on Friday if necessary to complete this bill this week.

So that we will go as late as possible on Wednesday in cooperation with the other side of the aisle and the President, we will work all day Thursday and try to complete this bill and work late Thursday, but if necessary to complete the bill we have to be here on Friday, we will be in on Friday.

So Members should be on notice.

Mr. GINGRICH. Well, let me say again we are very willing to amend the time we come in on Wednesday because of the gentleman's caucus. The gentleman is being very generous in helping us Wednesday evening. I think Members, looking honestly at the schedule so far this year, have little cause to complain, if in dealing with one of the President's most important items we take the time to do it thoroughly, to allow Members a chance to amend and to debate even if it means ending up here on a Friday.

So I just want to step forward and say on a bipartisan basis that we will take our half of the guff for this. This is a legitimate, serious thing to do, and we will take the time necessary to do it. I appreciate the Speaker and the majority leader being so cooperative in this.

Mr. COELHO. I thank the gentleman.

Mr. GINGRICH. I thank the Speaker.

ADJOURNMENT TO MONDAY, JUNE 12, 1989

Mr. COELHO. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. COELHO. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, JUNE 14, 1989

Mr. COELHO. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, June 13, 1989, it adjourn to meet at 1 p.m. on Wednesday, June 14, 1989.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

THE WORLD WATCHES AS CHINA ERUPTS

(Mr. WALSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALSH. Mr. Speaker, much has been said about the advent of global communications and the global village. But this past 7 days has been perhaps the most remarkable of this new era.

Most dramatic have been the events of China. Student protest, massive repression, and slaughter have brought that great nation to the brink of civil war.

We, the villagers of the globe, have watched in awe this entire drama on our televisions. The dictators of the world must now realize—we are all watching. American, Pole, African, Australian—we are looking out the front window via television and seeing what is really happening.

The most poignant message for me was a Chinese worker who was interviewed on CBS. He said, "the leaders say we don't support the students, that they are hooligans and criminals. That few have been killed. They are liars. Our leaders are now telling the truth. Tell the world. Tell the world."

I say back to that man: We hear you. We believe you. And we wish you well in your great struggle for democracy.

Long live freedom in China.

□ 1020

INDEPENDENT AGENCY NEEDED TO POLICE DEPARTMENT OF ENERGY

(Mr. SKAGGS asked and was given permission to address the House for 1 minute.)

Mr. SKAGGS. Tuesday of this week we witnessed an unprecedented event in which over 70 FBI and EPA agents descended upon a Federal nuclear weapons plant in my district at Rocky Flats to carry out an investigation of alleged violations of the Nation's environmental laws.

The violations involved wrongful disposal of hazardous and radioactive wastes and efforts to conceal that fact. Then yesterday the Colorado Department of Health announced a long list of notices of violations to the Rocky Flats plant involving further violations of the environmental permits for the operation of that plant. All of this, I think, is further evidence, if any evidence was needed, that the Department of Energy is simply incapable of effectively policing their own operations in the area of health, safety, and environmental compliance.

Two months ago I introduced a bill that would establish what I believe is a necessary remedy, an independent

agency with effective authority in enforcement in standard setting, to make sure that these terribly sensitive functions of our national security operation are carried out in a manner in which the public can have the necessary trust and confidence.

Under current circumstances, we hope we will address this issue as we consider the defense authorization bill in the coming week and a half. I would ask my colleagues to join me in cosponsoring H.R. 1643.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair wishes to announce that by virtue of the election of the Speaker, the positions held by the Chair as the majority leadership member on the Committee on the Budget and as ex officio member of the Permanent Select Committee on Intelligence are, without objection, deemed vacated.

There was no objection.

SUDAN NEEDS PEACE

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WOLF. Mr. Speaker, Col. John Garang, who is the leader of the Sudanese People's Liberation Army which is fighting a civil war against the Government of Sudan, is in Washington this week and has been meeting with Government officials and Members of Congress about the situation in Sudan.

As many of you know, between 250,000 and 500,000 Sudanese died last year as a result of a famine in that country fueled by the civil war. Peace is the only permanent solution to the famine in that country and I want to share with my colleagues a letter that Mr. MCNULTY and I have sent to Colonel Garang to encourage peace:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 7, 1989.

Col. JOHN GARANG,
Sudanese People's Liberation Army, Sudan.

DEAR COLONEL GARANG: Your visit to the United States presents a unique opportunity to show the American people and the world community that you are committed to peace. While hundreds of thousands of Sudanese people died of starvation last year, the underlying cause of their death was the brutal civil war. It is clear that unless peace is reached, the suffering and death will continue.

During our travels to Sudan, in both the north and the south, we were struck by the fact that virtually everyone we spoke with wanted peace. We both met with Sudanese Prime Minister Sadiq al Mahdi and, in separate meetings, he assured us of his desire for peace. We have both met with you and you have assured each us of your desire for peace.

We were encouraged by your commitment to ensure that humanitarian relief reaches needy Sudanese. Your offer on May 1 of a 30-day unilateral cease-fire and offer to extend it for 15 days is a positive step toward peace. A cease-fire, however, is not peace. Even during the current cease-fire, which was implemented to permit food shipments to the famine victims, convoys have been fired upon and lives have been lost.

Talks between the Sudanese People's Liberation Army and representatives of the Government of Sudan are scheduled for June 10 and offer the potential for a negotiated settlement to the civil war in Sudan.

In light of the upcoming talks, we urge you in the strongest possible manner to assure the American people of your intention to use the coming discussions as a vehicle for achieving peace in Sudan. This will not be easy, but rather will require an incremental approach that builds on areas of agreement leading to resolution of areas of disagreement.

Your commitment to peace is the single most constructive step that can result from your visit to the United States.

Without your wholehearted commitment and good faith efforts to seek peace, the suffering will continue and innocent men, women and children will die. This is not acceptable to the American people or to the world community.

While you have received praise during your visit to the United States for your commitment to humanitarian relief efforts, this must be backed by action that convinces the American people that your commitment to peace—the underlying solution to many of Sudan's problems—is also sincere.

The ball is in your court: your statement that peace is your top priority for the June 10 talks will assure the American people, including the many government officials and members of Congress with whom you met, that your intentions are sincere. Your failure to take this important step will be a grave disappointment to the American people.

Sincerely,

FRANK R. WOLF,
MICHAEL R. MCNULTY,
Members of Congress.

Mr. Speaker, this issue is critically important for the hundreds of thousands of Sudanese men, women, and children who are at risk. I hope my colleagues will join Mr. MCNULTY and me in pressing Colonel Garang and the Government of Sudan for peace.

APPOINTMENT AS MEMBERS TO THE U.S. DELEGATION TO THE INTERNATIONAL CONFERENCE ON INDOCHINESE REFUGEES

Mr. FOLEY. Mr. Speaker, I wish to announce the appointment of the following Members to the U.S. delegation to the International Conference on Indochinese Refugees:

Mr. EDWARD F. FEIGHAN of Ohio; and Mr. ROBERT K. DORNAN of California.

WILL DEMOCRACY SURVIVE?

(Mr. MCEWEN asked and was given permission to address the House for 1 minute.)

Mr. MCEWEN. Mr. Speaker, I wish to rise once again to express my appreciation and admiration for the excellent resolution that was presented to the floor yesterday by the chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL], as well as the gentleman from Michigan [Mr. BROOMFIELD].

Mr. Speaker, the world has changed in recent years. There was a time when I was in college, not too long ago, when the Chinese were murdering 40 million of their own people in which college students and those on the left walked around our Nation carrying the little red book, praising Mao. There was a time when the Soviet Union could destroy 14 million Ukrainians by starvation, and yet the left praised the revolution that was going on in the Soviet Union. There was a time when Nikita Khrushchev and Josef Stalin could murder 30 million of their own people in the Soviet Union and yet it was continually looked at as progress that was being made economically in that country.

Now as the world has begun to climb over the Iron Curtain through satellites and increased communications, when the Chinese leadership begins to murder only 3,000 of their own people, the world begins to understand what communism is all about. Freedom and tyranny cannot coexist. The next decade will tell whether or not democracy and opportunity will survive or whether the tyrannical brute of communism will continue to collapse. It is an exciting time for our Nation to continue to lead the world for peace and freedom and opportunity.

HISTORIC SAVINGS AND LOAN LEGISLATION REQUIRES COOPERATION

(Mr. BARNARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARNARD. Mr. Speaker, next week we are going to be taking up a very historical bill as we have already discussed somewhat this morning, H.R. 1278, which is the FSLIC bill. I cannot impress the Members too much as to how important this bill is. This is a first reconstruction of the savings and loan industry since the early 1930's when we structured the Federal Home Loan Banking System, and this particular legislation needs all the attention and the consideration of every Member of the House.

I was delighted to hear this morning that the distinguished minority whip indicated that we are going to be deliberate in taking up this bill. Every day that we delay is costing us tens of millions of dollars as far as the savings and loan industry is concerned. I hope that the Members will take careful note of this legislation. I will be attentive to all the provisions of it, because it is one of the most important pieces of legislation, not only from the stand-

point of restructuring and making viable the savings and loan industry of this country, but also in providing a mechanism where we can guarantee the depositors who have put their money into the savings and loan industry of this country, that their moneys are safe, that their deposits are protected, and that the Home Loan Bank System will continue to operate.

This is going to be an historic week next week, as we take up this legislation. We need the attention and the consideration and the cooperation of every Member.

CHINESE GOVERNMENT CONDEMNATION

(Mr. LAFALCE of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAFALCE. Mr. Speaker, last Saturday the Chinese Government brutally violated the human rights of tens of thousands of their own citizens. They continue to do so.

What extreme provocations drove them to these brutalities? The provocations included peaceful demonstrations demanding democratic reforms and an end to corruption. The provocations, Mr. Speaker, included the construction of a statue of liberty in the center of the square. The Chinese Government found these actions so offensive they sent in thousands of troops, guns blazing, to disperse the demonstrators.

On Monday, President Bush responded appropriately, for the time being. This week, Members of this House have added our condemnation of the past week's events. However, if the Chinese continue the killing and maiming of their own people, this Congress must work together to act. One step we can take is to ask the world to condemn the Chinese by refusing them loans from the World Bank.

□ 1030

Mr. Speaker, China gets almost $2 billion from that institution. As a member of the Banking Committee, I believe all the civilized nations of the world should stand together in saying that these acts of repression will not be supported with financial resources from the industrialized democracies of the world.

FAIRNESS FOR U.S. SHIPBUILDING AND SHIP REPAIR INDUSTRIES

(Mr. PICKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKETT. Mr. Speaker, today, Ambassador Carla Hills will receive a petition from the U.S. Shipbuilders Council, urging her to use her authority as the United States Trade Representative under section 301 of the Trade Act, to eliminate the substantial government subsidies that shipyards in West Germany, Japan, Korea, and other nations enjoy over their United States competitors.

I urge the administration to act favorably on this petition. Our Nation's shipbuilding and ship repair base has eroded dramatically in recent years. Since 1982, 76 domestic yards have closed their doors, sending thousands of skilled Americans into other occupations and crippling this Nation's ability to mobilize in time of war. More alarming still is the fact that there is not one single commercial vessel over 1,000 deadweight tons on order or under construction in any shipyard in the United States today.

This decline is not the result of fair competition, but the result of mounting government subsidies by nations with which we compete. Direct subsidies, preferential financing, and tax incentives from these nations to their domestic shipbuilders in recent years amount to billions of dollars.

The U.S. Government can no longer stand idly by as a disinterested bystander. These unfair foreign subsidies must be stopped or we will continue to see our shipbuilding and ship repair yards shrivel, and our mobilization base suffer.

THE GOVERNMENT'S GUARANTEE ON SAVINGS AND LOAN DEPOSITS

(Mrs. PATTERSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. PATTERSON. Mr. Speaker, soon we will have an opportunity to consider President Bush's savings and loan bill.

For 50 years, millions of Americans have placed their money in savings and loans and banks relying on the Federal Government's promise that their money was safe under the umbrella of Federal deposit insurance. Senior citizens saving for their retirement, young couples trying to buy a house, and parents saving for their children's college education have relied on the Government's guarantee to protect them in the event the institution failed.

Next week, we will face the challenge of making good on that promise. We must make good on that promise. Millions of senior citizens, young couples, and parents are relying on us to pass a bill that keeps our pledge to them and ensures that this never, ever happens again.

INTRODUCTION OF THE HAZARDOUS MATERIALS TRANSPORTATION AMENDMENTS OF 1989

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, today I am going to introduce the Hazardous Materials Transportation Amendments of 1989, in answer to the Hazardous Waste Act of 1974, which was never fully implemented.

Today I think everybody would be shocked if they knew that there were 500,000 shipments of toxic hazardous waste going through our communities each and every day of the year. That threatens these communities, it threatens the people in those communities, it threatens industries and businesses, and it poses a threat to the water we drink and the air we breathe. Emergency response teams, our firefighters, do not always know and cannot always find out what kind of chemicals have spilled from these wrecks, and it is very important that they have this information so they know exactly what they have to do to save these communities.

This legislation will strengthen that 1974 bill, and it will provide the response teams with the instant information that is necessary. It will not only save our communities, but it will save the countless numbers of brave and dedicated firefighters who have in the past lost their lives in these situations.

So, Mr. Speaker, I ask the Members to join with me in this very important piece of legislation, which has been made a priority of the chairman of the Subcommittee on Surface Transportation, the gentleman from California [Mr. MINETA].

LOWER INTEREST RATES, REDUCED SPENDING HOLD KEY TO ECONOMIC IMPROVEMENT

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, the prime rate is currently about 8 percent higher in the United States than in Japan. Our interest rates are much higher than in most other developed nations. Some people think that those from other nations are far better at business than we are. However, I think it is amazing that American companies have been able to compete at all, starting with such a huge disadvantage in the rate of interest.

Yesterday we took up the FSX deal in the House. Many Members were concerned about the huge imbalance of trade between the United States and Japan. I am thankful that many foreign companies and many Japanese

companies have brought jobs to Tennessee. However, I would like to see some opportunities remain for Americans. We will continue to lose many of our best businesses and properties to foreign ownership unless we bring down our interest rates. These interest rates will not come down until the liberals in Washington stop voting for big spending, budget-busting bills.

High interest rates hurt the low- and middle-income people most of all buying homes, buying cars, and sending their children to college.

Mr. Speaker, we must bring down the spending here in Washington.

THE RECENT EVENTS IN CHINA

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, I am deeply saddened by the violent and repressive actions taken by the Chinese military against those who have demonstrated for democratic reform.

On June 18, 1799, Thomas Jefferson wrote to a college student and said, "To preserve the freedom of the human mind * * * and freedom of the press, every spirit should be ready to devote itself to martyrdom."

Removed in time from our own Revolution, we must stand in awe of those who have taken Jefferson's admonition literally. Who by their death, remind us of the treasure we possess.

The treasure is freedom, assumed as a birthright, but clearly a gift of past generations.

Ours is now the responsibility to sustain this freedom and to assert it. For as Jefferson also wrote, "* * * as long as we may think as we will, and speak as we think the condition of man will proceed in improvement."

As events in China continue to unfold, let us use the talents and energy that have made this House the fundamental institution of democracy to counsel, encourage, and support those who aspire to bring freedom to China.

READ MY FSLIC: NO NEW TAXES?

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, in the last election, the President asked us to read his lips. "No New Taxes." Well, the Bush savings and loan bailout is the biggest tax increase in recent memory.

This cartoon actually severely underestimates the true cost to the taxpayer. The General Accounting Office has estimated that the taxpayer will pay a minimum of $150 billion for the bailout. To this must be added the $8 billion in tax breaks from the December 1988 FSLIC deals plus $42 billion more in interest costs on the money Treasury will borrow to finance the bailout. In effect, the taxpayer is being sent a bill of over $200 billion over the next 30 years. To the average person in my State, this will mean about $300 in additional taxes.

Yesterday, I presented an alternative to this tax bill to our colleagues on the Rules Committee. It is three times less expensive than the Bush plan and it cuts costs to the taxpayer by 300 percent. It prohibits long-term borrowing to pay for this. It requires the Congress and the President to fund the costs of the bailout annually on a pay-as-you-go basis. It prohibits the use of individual income taxes to pay for the bailout.

Congress and the President should negotiate and use a process similar to what was done on the recent budget agreement to make those who are responsible for this debacle pay for it.

I urge my colleagues on the Rules Committee and in the House to support my proposal to cut costs to the taxpayers and take the burden of the savings and loan bailout off the backs of the American taxpayer.

A SCENARIO FOR NEXT WEEK'S CONSIDERATION OF SAVINGS AND LOAN LEGISLATION

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, let me just say that I think the presentation by the gentlewoman was entirely appropriate, and I am glad she has introduced a bill and I am glad she is working on the savings and loan problem. But I do want to say, as we enter next week's discussion, that partisan Democrats who want to make partisan points about the savings and loan problem should be very, very cautious.

There is a book called "Honest Graft," there is a report by Mr. Phelan, and there are all sorts of things which are admissible in this House about how we got into the savings and loan mess and what the role of the House Democratic Party was. I am prepared to go through all of next week and say nothing about any of that, but if there is going to be any bashing of George Bush and any bashing of the Republican Party, I just want the Democrats to understand that we are fully prepared to talk about how the mess got so big and who was responsible. And I hope we will see no more cartoons of the President of the United States and we will see no more party partisanship if in fact the Democrats prefer to talk about the future and not talk about the past.

□ 1040

S&L BAILOUT BILL SHOULD BE IN THE TAXPAYER'S INTEREST

(Mr. BATES asked and was given permission to address the House for 1 minute.)

Mr. BATES. Mr. Speaker, while some members in the House attempt to bail out the savings and loan industry, we should not stab the taxpayer in the back in the process.

That is why I will be supporting the on-budget treatment of the resolution funding corporation because it saves the American taxpayer $4.8 billion and increases the industry contributions by $640 million between fiscal years 1990 and 1994. Since we are dealing with a $150 billion budget deficit, we should be taking steps to reduce the deficit, not expand it by using deceptive budgeting techniques.

I will be supporting an amendment to be offered by my colleague, DON PEASE of Ohio, which would limit deposit insurance up to $100,000 on a per person or total deposit basis. No longer would a U.S. taxpayer be in the business of guaranteeing the savings of upper-income individuals and corporations whose deposits exceed $100,000.

THE 43D ANNIVERSARY OF THE FOUNDING OF THE ITALIAN REPUBLIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I am pleased to call to the attention of my colleagues in the House of Representatives that June 2 marked the 43d anniversary of the founding of the Republic of Italy.

On June 2, 1946, the Italian people voted to replace their constitutional monarchy with a free democratic government. Eleven days after this referendum in support of democratic rule, King Umberto II left Italy, and within 1½ years after the vote, on January 1, 1948, the Italian Constitution was completed. This document embodied the principle that the "sovereignty belongs to the people who excercise it within the forms and limits of the Constitution." It proclaimed "the inviolable rights of man," and guaranteed "equal social dignity" for all citizens and equality before the law regardless of sex, religion, race, language, political opinions, or social condition.

With the aid of the Marshall plan and the unwavering commitment and resolve of the Italian people, during the last four decades, the growth of Italian industry has been unprecedented. Social and educational programs have expanded, and the arts and humanities have achieved a renewed prominence. In addition to her outstanding postwar achievement on the domestic front, Italy also has placed herself in the vanguard of European integration. As a member of the North Atlantic Treaty Organization, Italy has been and continues to

be a loyal Western ally, committed to the causes of freedom.

Mr. Speaker, I take the opportunity to extend my greeting and best wishes to the people of the Italian Republic, as well as to the Italian Americans in my own 11th Congressional District of Illinois, which I am honored to represent, and throughout the country, who are joining in the 43d anniversary of the founding of the Republic of Italy.

I know that the friendship between Italy and the United States shall continue to flourish in the years ahead, and toward this end, I am very pleased to announce the President of the United States has extended an invitation to the President of Italy, Francesco Cossiga, to visit the United States. President Cossiga has accepted this invitation, and will be celebrating the Columbus Day holiday here in our country in October.

CONGRATULATIONS TO SAM FREDMAN: STATE SUPREME COURT JUSTICE, COMMUNITY LEADER, AND FRIEND

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, I rise today to pay tribute to a very great man. As a leader of the Democratic Party in New York, a lawyer, a father, and a grandfather, Mr. Samuel Fredman has commanded respect and admiration for his distinguished career of leadership and service from his colleagues, his family and the many friends he has won over the years. I feel very fortunate to count Sam among my very dearest friends and trusted advisers. On Wednesday, June 14, Sam will begin his service as a justice on the Supreme Court of New York, Ninth Judicial District. That is indeed a great honor. It is also the next logical step in a career based on the pursuit of justice and premised on serving the community.

Sam has been a member of the New York State Bar Association for 40 years. He graduated from Columbia Law School in 1948 and was admitted to the bar the following year. He has been a partner in the firm of Fink, Weinberger, Fredman, Berman, Lowell & Fensterheim.

Fortunately, Sam did not limit his legal training only to his successful law practice. Sam has dedicated himself and his expertise to Westchester County and its people. He has been a leader in our local Democratic Party. In the 1960's, he served as chairman of the White Plains Democratic City Committee. He also served as the chairman of the Westchester County Democratic Committee from 1975 to 1979, and as a member of the Executive Committee of the New York State Democratic Committee from 1976 to 1980.

As a member of the Westchester County Charter Revision Commission beginning in 1986, and as its vice chairman beginning in 1987, Sam has given his time and his legal expertise to Westchester County. He believes in good government and he has put that commitment to good work on this important commission.

Sam's dedication to the community has not been purely political nor legal in nature. He has participated in numerous charitable fund drives, which include efforts for the White Plains Hospital, Community Chest, and the Heart Fund, as well as numerous other charities. He has also served as a member of the White Plains Commission on Human Rights.

He has also been active in working with many Westchester residents directly to better their lives. He coached boys baseball and basketball teams for the White Plains Recreational Department for 5 years. He has served as a leader in the Westchester County Jewish community.

To no one's surprise, Sam has received numerous awards and honors over the last 25 years, including this year when he was awarded the distinguished service award from the State University of New York.

In any discussion of Sam's long and illustrious career, his distinguished service to our country must be remembered. Sam served from 1943 to 1946 in the U.S. Army Air Force, including the Far Eastern Theater—Philippines and Japan—as technical sergeant from 1945 to 1946.

Sam Fredman has been a dedicated professional and community leader for many, many years. I am also most grateful that he has been my very good friend. I have long relied on Sam's judgment and counsel. As I weighed seeking the seat in Congress that I am privileged to hold today, his encouragement was a very important factor in my decision.

Next week, when Sam becomes State supreme court justice, New York's legal system will be gaining a man of great integrity, fairness and honor. I know that he will serve with the same commitment that he has shown throughout his career. I want all of my colleagues here in the House to know how fortunate this Nation is to be gaining a judge of Sam Fredman's caliber and principle.

RESTORING CONFIDENCE IN THE POLITICAL PROCESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. GUNDERSON] is recognized for 60 minutes.

Mr. GUNDERSON. Mr. Speaker and Members, the last 2 weeks have been anything but normal here in the Congress of the United States. For the last year business has not been as usual as we have been battered by the press, by public opinion, and sometimes even by ourselves as we try to determine really what we are as an institution and really where we want to go.

Mr. Speaker, the purpose of the next hour, or beyond if necessary, is that we take all of what has happened in the past and we recognize that it is time we unite in a bipartisan way to try to rebuild this institution and try to put back together a Congress that we can be proud of, a Congress that the American people can be proud of, and, frankly, a Congress that the entire world can be proud of. As we do that, I would suggest to my colleagues that there are four spheres of reform that we ought to all imprint upon our minds and upon our discussions so that, as we go forth, we are able to really analyze what we can do as a body politic to restore the confidence of the American people in this institution which yet today still is that greatest of all deliberative bodies.

Mr. Speaker, I would suggest those four spheres are as follows: No. 1, we need to reform the process by which we elect people to Congress, and that of course means campaign reform; No. 2, we need to reform the standards of conduct for those who have been given this public trust of serving as a Member of Congress; No. 3, we need to reform the process by which we make our laws, that obviously being rules reform; and, No. 4, let us not forget that there are many, many different policies begging for reform, and that really means that whether we are Democrat or Republican it is time we try to establish and create an agenda worth voting for, a response of real solutions to the real problems of real people across this country.

Let us take a little bit of time, if we can, to look at each of these four areas, and let us begin with the whole area of campaign reform because it is one of those two areas that has become most popular in recent weeks and months. It is one of the two areas in which the Speaker and the Republican leader jointly announced bipartisan task forces—six Republicans, six Democrats—to try to resolve in a bipartisan way suggestions and policy changes which can be brought to the Congress for consideration by the full House and obviously put into practice either through our rules or, in many cases, through changes in actual law here in this country. A number of different issues can be discussed when one talks about campaign reform, but I think we ought to do so under one broad general concept, and that is: It is time to return the elections in this country to the people, and we can start by simply recognizing that the American people do not participate in the American election process anymore.

Mr. Speaker, the fact is we have the second lowest voter turnout of any democracy in the world, and, if my colleagues will look at the 1988 election turnout and if they will skip the Presidential to just look at the last parliamentary election anywhere in the world, that being our 1986 turnout compared with other countries' most recent election, we have the dubious distinction of having the lowest turnout.

Now why do we have the lowest turnout? That is because the election process in this country has been one controlled by incumbency and special interests, and the American people simply look at all the tools used by in-

cumbents to enhance and protect their advantage when they go the polls throughout the entire 2-year preceding term of office, and they look at the power and influence of special-interest group money in funding those elections and in otherwise contributing toward the decisionmaking process, and they quickly recognize that, as a general citizen, unless they have been a full participant in a special interest group process, there simply is no rhyme or reason for them to participate because the destiny has already been marked by others.

Mr. Speaker, I would like to suggest to my colleagues that there are a whole host of different options in the area of campaign reform that ought to be considered, and our Republican leader, the gentleman from Illinois [Mr. MICHEL] has really set out the whole cause of this discussion as he sent a letter that has been made public to President Bush in requesting that, as the President comes forth with his campaign reform proposal, that he will take into mind these 21 different elements that the Republican leader has suggested.

Now, as we do that, let us begin, however, by really taking a look at some of the major issues that I think everyone agrees become all that important as we try to make these particular changes.

First and foremost, if we are going to change the process of campaigns, we need to change the grandfather clause which allows Members elected before 1980 to use their campaign funds as, frankly, a bank account which can be converted to their personal use at some later date when they leave the Congress. It is no secret that we have many Members of Congress of both political parties who have campaign treasury accounts far above and beyond anything which would be necessary for their reelection process. Many of them, to be honest, come from what are at least today very solid one-party districts, and the potential for that money to be converted from a donation to a public election process into personal use questions the integrity of us as an institution, and certainly is allowed to build up and eliminate any potential for competitiveness in that particular race.

□ 1050

There are 191 current House Members who have stockpiled over $39 million in campaign funds that could be converted to their retirement programs upon their retirement from the Congress.

I doubt that it was the intent of any individual American and I doubt if frankly it was the intent of any Political Action Committee that when they donated to that particular campaign they thought the money would eventually go toward a personal retirement.

The fact is that we have had Members of Congress thus far retire and convert over $862,000 from campaign funds into personal use.

Now, a second issue which I think becomes even more important to returning the American election to the American people is to begin that process of eliminating the power of incumbency. There are two different ways, obviously, to do that. One is frank mail. The second is to eliminate the carryover funds.

The fact is any Member of Congress' Campaign Committee that has a surplus can carry all those funds over to the next elections.

Now, assume that you are a challenger or you are considering running for Congress, the fact is that the person who is in Congress has $250,000 in their campaign treasury in January 1989 before the 1990 election, and they have not even begun the fundraising process. Consider for yourself the automatic handicap of name identification, public prestige, or recognition by the press in your district, of invitations to speak and all those other elements which come with normal incumbency, add to that the cash advantage of $250,000 or more before you even begin the process, and you begin to recognize what I am talking about.

Members of the 101st Congress have amassed record surpluses of campaign cash in 1988, totaling more than $94 million. Think of that. The incumbents of this Congress have $94 million for their 1990 reelection campaigns before the campaigns have even started.

Now, if you were considering running for this Congress of the United States against an incumbent with those kind of odds, I think you can quickly get a handle on what we are talking about.

On the average, a Representative has more than $146,000 in their campaign funds, and Senators on the average have over $305,000.

The 10 largest campaign war chests held by Members of the House of Representatives averaged over $800,000.

Now, the second area in terms of eliminating the advantages of incumbency that I suggested when we talk about the whole concept of campaign reform has to be the use of frank mail. The reality is that we as Members of Congress have the opportunity through the frank mail of really running a 2-year campaign period to the constituents of our district.

Now, I am not for banning frank mail. We ought to be able to respond to the letters that come into us from our constituents. We ought to be able to do the proper notice of how we feel about particular issues, announcing those issues in statements that are important to us through press releases. We ought to be able to announce to our district the whole concept of when we are to hold a town meeting or hold office hours so that they can come and talk to us with their problems and concerns, but that is not what we are talking about when we suggest that it is time to reduce frank mail. We are talking about the fact that in 1988 we spent $82 million, which was more than twice the 1975 appropriation, and get this. In 1986, Congress disbursed more than 12,000 items of mail for every incoming letter. Think of that. For every letter that came in here, 12,000 went out from Members of Congress. You quickly begin to understand the power of the incumbency that exists in this area. Obviously, we are going to have to begin to look at this whole question of PAC's to either eliminate, or as the President has suggested, to reduce totally the PAC contributions directly, and particularly to reduce what we call the soft money. That is all the indirect efforts by political action committees and special interests to indirectly fund and influence elections in this country.

PAC funds raised by candidates for congressional seats have ballooned from $34 million in the 1977-78 election cycle to $133 million in the 1985-86 cycle.

Congress, frankly, is addicted to political action committees. Senators get about one-third of their reelection money from PAC's. House Members last year realized 37 percent of their campaign receipts from PAC's. The Republicans received 37 percent. Democrats received 46 percent of their money from political action committees.

In the first 15 months of the 1987-88 election cycle, that one which we just completed, PAC's gave $53 million to House and Senate candidates, an increase of 26 percent from the same period 2 years earlier. The increase was 16 percent for Senate candidates and 33 percent for House candidates.

Now, it is no secret to tell anybody that incumbents are the beneficiaries of PAC's, and PAC's do not even make their decisions anymore based on your voting record. Frankly, in too many cases, the political action committee money is simply purchasing access to that particular Member of Congress, his office and staff, rather than actually rewarding someone of a like philosophy in the normal give-and-take of politics.

Mr. UPTON. Mr. Speaker, will the gentleman yield for a moment?

Mr. GUNDERSON. I am happy to yield to my distinguished colleague and friend, the gentleman from Michigan.

Mr. UPTON. I just would like to reiterate some of the things the gentleman suggested here and add my support to many of them and some com-

ments with regard to campaign reform. I think the gentleman's comments are right on the mark.

I would hope that as our new Speaker suggested the other day that we will see a reform package come in this session of Congress. I think it is very wise to have a bipartisan panel, six Republicans and six Democrats.

Is the gentleman a member of that panel?

Mr. GUNDERSON. Yes, I am a member of it.

Mr. UPTON. I will be very interested, certainly as a Member of this institution, but as an American, to look at campaign reform. I would hope that some of the suggestions of the gentleman, almost all his suggestions that he made, will be included as part of a package so that we will see that in the future no longer will 99 percent of those incumbents who run for office become reelected.

You know, there have been a number of statistics that have come out the last year with the election in November, 99 percent of us getting reelected. I believe only about six Members actually lost in the general election to the other party.

Mr. GUNDERSON. The reality is, if I can interrupt the gentleman at that point, in the last session of Congress, the 100th Congress, five Members died, six Members were defeated for reelection.

Mr. UPTON. So we had an equal chance of dying——

Mr. GUNDERSON. As getting defeated.

Mr. UPTON. I am glad we are both young; but that is the point. I mean, that is not the way it ought to be. Campaigns ought to be decided upon issues in the districts that they represent, and not just because someone is an incumbent versus a challenger.

The gentleman's comments about the grandfather clause, the gentleman is right. Now only 191 Members of this institution, 434 Members today, were elected prior to 1980. They are entitled to keep all of the money that they have not spent on their campaigns for personal use, once they retire.

Well, we have a majority now, 191, we are over 200 in terms of those—55 percent of us now were elected since 1980. You would think now that we could have the votes to get this as part of a package, beginning very early today I wish, although we are out of session for legislative votes, so it is going to have to be beginning next week at the earliest, so we can eliminate the grandfather clause so that those dollars can be either returned to the Treasury or to charity or perhaps to the individuals who contributed those dollars. In fact, the Members of Congress would not have the opportunity to personally profit from perhaps hundreds of thousands of dollars that he or she has in their campaign accounts. I would hope that the grandfather clause would be removed in whatever package comes up.

□ 1100

The second thing that the gentleman mentioned, of course, was frank mail. It is outrageous, I think, and I just went through my first reelection cycle last November.

Of course, we have a restriction on sending out our newsletters, and I believe it is 60 days prior to an election. I park in the Cannon Garage, my office is in Longworth, and there is a long tunnel in between. Every day 60 days prior to that election in November, there were people's newsletters stacked up all the way out almost into the parking lot so that they can hit that 60-day mark right on the nose so their district would be flooded with newsletters, "newsletters," just prior to the election to get the last bang out of the frank mail process. That is wrong, and I would like to see a couple of big reforms with regard to newsletters.

First, if we do not have it 60 days, let us look at 90 or 120 days.

Mr. GUNDERSON. The bipartisan Task Force on Campaign Reform that is meeting as preparation for that, the six Republicans are meeting, and the six Democrats are meeting, separately to try to determine what their agendas and proposals might be. I think the gentleman would be pleased to know, and I do not think I am speaking out of order in indicating that one of the proposals that the Republicans are looking at seriously is the whole concept as to whether we should even eliminate postal patronage in an election year. If we want to use it as part of the normal conduct of business in a nonelection year, questionnaires, meeting notices, et cetera, fine, but when we recognize that in this Nation of ours where in Illinois they have to file in December the preceding year for election, and we have spring primaries, I think from February on throughout the rest of the year, probably in that election year Members ought to respond to constituent mail, but they ought not even be using the postal patronage.

Mr. UPTON. I think that is a very good point. Furthermore, I must say that in the random checking that I have done with other Members of Congress who had the right to send out a maximum of six newsletters, most of us do not do that. I think last year I sent either three or four questionnaires, three newsletters with perhaps one questionnaire. I would like to see the number reduced from six to either three or four. I think that that would make quite a bit more sense and, in fact, we could save the taxpayers quite a bit of money in that 12,000 letters that we send out every year, per letter that we receive, obviously it would be reduced.

The other comment that the gentleman mentioned was with PAC's, special-interest money perhaps one would call it. There are some major reforms that I think we can make in PAC's, and I see my good friend and colleague, the gentleman from California [Mr. THOMAS], is here. Of course, he is on the Committee on House Administration, and one of my first areas where I testified as a freshman in Congress 2 years ago was before his subcommittee, where we talked about PAC reform.

I have a very unique policy myself with regard to PAC money. I have a percentage that I instituted. No more than 50 percent of my funds come from PAC's. In fact, it was about 27 percent in both the last two elections that I had, but in addition, I only accept PAC dollars from those PAC's that have an economic tie to my district.

That is very hard for perhaps 435 other Members to institute the Upton PAC policy, although I think that it works for me, but there are some things that we can do. I think we ought to reduce the maximum of money, of PAC dollars, that we can receive. Right now it is technically $10,000 we can receive from any PAC that one might choose. I think we ought to reduce that to maybe $2,500.

Instead of having some Members of Congress, and the gentleman gave the average, and I think he indicated the percentages.

Mr. GUNDERSON. Democrats received 46 percent of their money from PAC's. Republicans, 37 percent.

Mr. UPTON. Some are higher, and some are 80 or 90 percent. I would like to see that reduced, not only to 50 percent, but maybe 40 percent.

Let me just make one other comment, and I will yield back.

As we talk about incumbency, carryover funds, one idea that might be a virtue here is that it can be no PAC contributions for the first year. We have 2-year election cycles, and we do not know who our opponents are, yet many of us have already had fundraisers, and we are already calling on PAC's to help us, many of us. Let us make it no PAC contributions the first year, so that the second year the PAC groups are going to be able to determine, "Well, so-and-so has a bad record," or whatever. That might be a very good stand to take and, thus, further restrict PAC donations, and the factors that people decide when they run for office, how much money does the incumbent have to make that decision.

Mr. THOMAS of California. Mr. Speaker, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentleman from California.

Mr. THOMAS of California. Mr. Speaker, it is difficult to know where to begin when one talks about campaign reform and my involvement. As some of the Members may know, I have a nine-page Dear Colleague that has gone out to the Members, and that may be a Guinness Book of World Records on length of a Dear Colleague, and that contains 38 separate bills.

What I have tried to do in the listening to suggested changes, instead of listing a comprehensive package of what I believed I thought ought to be reality, I tried to offer a number of choices to Members in this whole area of campaign reform. I think it behooves us to take a step back and ask ourselves: What are the really critical fundamental questions, and what are not? And in the discussion about PAC dollars, one of the things I think that people have to understand and appreciate is that there are going to be political dollars involved in the system, and if we make changes which are either silly or are done for purposes of political expediency, all we are doing is rerouting the dollars and, as a matter of fact, I would like to take a step farther back when we talk about money.

One of the major thrusts is that there is simply too much money in the system, first of all, and then, secondly, there is a concern about where that too much money comes from. I think if we focus on the purpose of money, we begin to realize that some people have lost sight of the means and the end, and that money really is simply a means, it is not an end.

The whole purpose of the election process is to get more votes than the other person. That is how we win. People believe fairly fundamentally that the person who spends more money is the one who has a better chance of winning. That is generally true in today's political climate because of the way in which the money relationship has been established.

There is nothing absolute about a candidate's relationship to the money that they receive, and the gentleman's voluntary structuring, I would say to the gentleman from Michigan, unbeknownst to me, was a concept which I have developed into a piece of legislation which I think fundamentally alters that relationship between a candidate and the money.

What do I mean by that? If money is the means and votes are the end, one of the things that has occurred, especially over this decade and really had its roots in the 1970's, was a separation of the means and the ends. What I mean by that is that candidates more and more looked away from their district for the financial resources to get elected. They came back to Washington. Even incumbent Members hold their PAC fundraisers in Washington. Very few of us have a district that we tend to go back to for fundraisers except for publicity purposes. The money tends to come from the outside more and more of the district rather than from inside the district. I think that is unhealthy.

The counterargument from those who see the money coming from sources outside the district say that that is at least the appearance of corruption, and what we have to do is go public financing or to limit the flow of the money under that structure.

I think we ought to go far more fundamental than that and change the structure, and just as constitutionally we are able to limit the amount that an individual can give, I think we ought to seriously entertain the idea that we require a candidate to get a majority of their money from the district that they are trying to get elected from, not on a voluntary basis as the gentleman has done, and I think correctly so, but as a matter of ongoing ordinary political practice.

What does that do? First of all, it forces the individual to focus on their district in a different way. This is not just the seedbed for votes from which one takes outside dollars and pours them into their district to try to get the votes to go their way, but it is returning back to the business of tying the means and the end, the dollar and the vote, more closely together, and I think that is healthy.

I do not think there is anything wrong with having to go to someone and ask them for their vote and, at the same time, ask them for a contribution. If they choose not to give one the contribution, chances are they are not going to give one their vote, and then it is not the thousand-dollar PAC contribution that is important, because one gets no votes with the thousand-dollar PAC contribution, but they get the wherewithal to try to buy some votes in their district, and they are out there campaigning trying to meet as many people as possible, because each person they meet that tends to give them the vote will tend to give them a dollar, $5, $10. Amounts that are totally meaningless now in our campaign structure become important, because if the person is willing to give them $10 of their own money, more than likely they will also have their vote, so every time they collect a contribution, they collect a vote. It is almost one-to-one relationship between the means and the end, and I think that is more a return back to the kind of campaigning that most people want.

What they want is to see the candidate in the district working with the people who actually make the decision, the voters, and also relying more heavily on them for their financial support. We do not need nearly as much money under that system. Rather than an arbitrary limit of some dollar amount, and we have seen legislation that suggests a $200,000 limit or $300,000 limit, which may be appropriate in one district and not appropriate in another, I think it is far more realistic to allow the district itself to determine what the campaign level is going to be in terms of finances: local control of campaign finances. One cannot take a dollar outside the district unless they have been able to raise a dollar inside the district. That makes the person back home feel that they are important once again, that they are not just being used as vote fodder, that they are a meaningful part of the election.

I think as we look at this area of campaign reform, what we have to do is understand that the relationships that we have established we established statutorily. We did not establish it because that is the way the world is.

□ 1110

The world is that way because we structured it that way and we can alter that structure. I think a very healthy altering, a beneficial altering is to begin to focus on public financing? No. District financing? Yes.

Local control is, I think, one of the ways out of our current dilemma.

Mr. UPTON. If I may take some time from the gentleman from Wisconsin, I have a copy here of the eight-page memo, I guess you could say, or questionnaire for us to study. Now I do not know, but would the gentleman object if we entered this into the RECORD?

Mr. THOMAS of California. Not at all.

Mr. UPTON. Mr. Speaker, I ask unanimous consent that the gentleman's questionnaire be inserted into the RECORD at this point.

The SPEAKER pro tempore (Mr. MURPHY). Is there objection to the request of the gentleman from Michigan?

There was no objection.

CAMPAIGN REFORM PROPOSALS

1A. The following bills limit the election advantages now held by incumbents.

Choices among seven bills to limit franking.

□ H.R. — (No. 1) A total ban on unsolicited franked mail.

This bill would allow Members of Congress to respond to communications from their constituents, but not to send out unsolicited mail at taxpayer expense. It would save the vast proportion of the $113 million that Congress spent in 1988 on official postage, plus additional amounts for printing and handling.

Or □ H.R. — (No. 2) A ban on franked mass mailings of over 500 pieces.

This bill would ban postal patron mailings to every person in the district and also close a loophole through which Members might make up for such a ban using computer generated letters addressed to nearly every

voter based on geographical or interest subgroupings.

Or ☐ H.R. — (No. 3) A ban on postal patron mailings.

This bill prohibits the district-wide postal patron mailing including newsletters, now limited to 6 per Member, and district-wide meeting notices, not limited under current law.

Or ☐ H.R. — (No. 4) A limit of one postal patron mailing per year, mailed in December, January, or February only.

This would allow for a regular survey or newsletter, but would substantially limit campaigning at taxpayer expense.

Or ☐ H.R. — (No. 5) A cut of 50 percent in funds appropriated for franking with funds divided evenly between House and Senate and evenly within the Houses among Members.

This would save over $88 million per election cycle or 50 percent of the $177 million spent on postage by Congress in 1987 and 1988.

Or ☐ H.R. — (No. 6) A limit of 1 million pieces of franked mail per Member for the two year election cycle.

A postal patron mailing averages about 250,000 pieces. This allows for two such mailings plus well over 500 pieces of mail per day over a two year period. The House currently mails over 2 million pieces of mail per member per election cycle.

Or ☐ H.R. — (No. 7) Quarterly disclosure of the cost of franked mail for each House Member's office.

Four bills limiting the use of excess campaign funds.

Or ☐ H.R. — (No. 8) To return excess campaign funds to the Treasury.

This bill would require all Members of Congress to return unused campaign funds after each general election to the U.S. Treasury for the purpose of reducing the national debt. Members would be allowed to retain $.10 per district voter. Incumbents and challengers would therefore start each new election cycle on a more even footing.

Or ☐ H.R. — (No. 9) To prohibit Members, effective immediately, from converting their excess campaign funds to personal use upon retirement.

This bill would repeal the legislative provision popularly known as the "grandfather clause" which allows Members elected prior to 1980 to convert excess campaign funds to personal use upon retirement. The bill would take effect immediately.

Or ☐ H.R. — (No. 10) To prohibit Members, effective January 1, 1991, from converting their excess campaign funds to personal use upon retirement.

Ends the "grandfather clause" as in H.R. — (No. 9), but does not take effect until January 1, 1991.

Or ☐ H.R. — (No. 11) To prohibit Members, effective January 1, 1993, from converting their excess campaign funds to personal use upon retirement.

Ends the "grandfather clause" as in H.R. — (No. 9), but does not take effect until Jan. 1, 1993. (Allows 1992 retirement in conjunction with reapportionment)

Three bills to limit incumbent fundraising advantages.

☐ H.R. — (No. 12) Prohibits transfers among candidate committees or PACs and limits candidates and incumbents to a single committee.

This legislation would ban so-called leadership committees which allow well financed incumbents to donate funds often raised from special interests to other incumbents or candidates. It also prohibits PACs from laundering funds through other PACs.

☐ H.R. — (No. 13) Prohibits unopposed incumbent fundraising in non-election years.

This legislation prohibits incumbent fundraising from November 15 after an election until the November 15 one year prior to his or her next election. Should a challenger begin fundraising before November 15, the incumbent would be free to fundraise as well. This bill would limit the substantial time advantage most incumbents have over challengers and encourage Members to spend their time legislating and not fundraising.

☐ H.R. — (No. 14) Prohibits fundraising within the Washington, D.C. Beltway.

This legislation makes a symbolic point but could have a significant impact on fundraising. The "Washington fundraiser" would be banned under this legislation. Members could risk embarrassment and ridicule by holding fundraisers just outside the I-495 line, or spend more time in their districts raising money from voters instead of Washington special interests.

1B. The following bills improve the competitiveness of challenger candidates.

Three bills to strengthen a party's ability to help challengers.

☐ H.R. — (No. 15) Allows a party to offset election benefit received by incumbents from taxpayer funds.

Allows a party to donate to challengers above current limits an additional amount set by the Clerk of the House that is determined to be a sum equal to the re-election value received by incumbents from their office, official salary, and franking expenditures.

This bill makes the point that we already have public financing, but only for incumbents. It underscores the need for a "level playing field" which allows challengers to have a real chance and voters a real choice.

☐ H.R. — (No. 16) Allows a party to provide consulting services to candidates in addition to existing limits on party assistance.

This is a relatively simple way to provide high-quality professional assistance to candidates so the dollars they raise can be effectively spent. Many challengers fail as much for lack of expertise as for lack of funds.

☐ H.R. — (No. 17) Allows a party to match donations to candidates of $200 or less.

This bill encourages candidates to raise funds from small donors while providing another way for the party to assist deserving challengers who have demonstrated grassroots support.

Four bills to reduce campaign costs for all candidates.

☐ H.R. — (No. 18) Allows candidates to use nonprofit postage rate now reserved only for political parties.

The nonprofit postage rate is significantly lower than the normal bulk mail rate. Postage rates are a major element of campaign costs. Allowing challengers to achieve a minimum level of campaign visibility helps challengers with their limited resources more than it does incumbents.

☐ H.R. — (No. 19) Requires broadcast media to make free time available to general election Congressional candidates.

This bill would require each radio and television station to provide 30 minutes of free air time to each Congressional candidate within their area. Such time would be divided equally among 5 minute, 60 second and 30 second blocks in prime time the month prior to the election. Broadcast media are licensed to use the public airwaves and currently required to provide free time under the so-called fairness doctrine. The metropolitan stations with multiple Congressional districts in their area are also those who receive the greatest benefit from their government licenses.

☐ H.R. — (No. 20) Requires broadcast media to make free time available for debates between candidates for Congress.

This bill would require each radio and television station to provide 30 minutes of free air time for the purpose of broadcasting a debate among candidates for Congress in each Congressional District within their area. Only candidates whose party had received 10 percent or more of the vote for Congress in the prior election or had obtained the signatures of 5 percent of the voters in the District would be eligible to participate.

☐ H.R. — (No. 21) Requires that broadcast media sell non-preemptable time to political candidates at 50 percent of the commercial rate for that time period.

2. The following bills limit the influence of special interests on congressional elections.

Three bills to limit PACs.

☐ H.R. — (No. 22) Prohibits contributions to candidates by PACs that use corporate or union resources for operating expenses.

Federal election law prohibits the donation of corporate or union funds to Federal candidates. But corporate and union special interests still spend millions of dollars fundraising for and administering PACs. Automatic payroll deduction way in which funds which cannot be legally given to a candidate exert a disproportionate influence on our elections process.

President Bush has called for a ban on PAC contributions to candidates. His rationale applies most especially to PACs which pay for expenses from funds which do not meet Federal campaign contribution standards.

☐ H.R. — (No. 23) Limits all PAC contributions to $1,000, the limit for contributions from individuals. The current PAC limit is $5,000.

Large special interest contributions from any source are not healthy for our political process.

Or ☐ H.R. — (No. 24) Limits all PAC contributions to $2,500.

A bill to ban so-called "Bundling."

☐ H.R. — (No. 25) Prohibits a single individual or employees of the same entity from both soliciting and having custody of more than one campaign contribution to a candidate during the entire course of the campaign.

Bundling of multiple campaign contributions to candidates is a frequent practice used by special interests to circumvent Federal contribution limits.

A bill to ban so-called "Soft Money."

☐ H.R. — (No. 26) Prohibits national parties from raising or spending funds not subject to Federal contribution limits.

National parties currently can accept corporate, union, and personal funds in unlimited amounts for so-called "building funds" and "state and local accounts" which in reality cover party overhead expenses and indirectly assist Federal candidates. These are exactly the funds that the original Federal election laws where designed to control. The original intent of these laws should not be circumvented through the use of the "soft money" loophole.

Two bills to increase the influence of small donors from a candidate's local district.

☐ H.R. — (No. 27) Requires that a majority of a candidate's funds come from individuals residing in the candidate's district.

This bill would promote local control of campaign finance. It would strengthen the connection between the voters in a candidate's district and the outcome of the election. Too often the election is decided by money from outside the district, rather than by voters and resources from inside the district.

☐ H.R. — (No. 28) Allows political parties to match individual contributions up to $250 from individuals residing in the candidate's district.

This bill would provide an incentive for candidates to raise money from individuals in the district rather than from special interests in Washington D.C. It would also strengthen parties' ability to help challengers with demonstrated local support.

Three bills to strengthen political parties' ability to raise funds independently from special interests.

☐ H.R. — (No. 29) Allows local parties to raise and spend funds independent of state and national party limits.

This bill strengthens the ability of local parties to raise and spend funds in support of Federal candidates. Local parties should be encouraged to develop contribution and volunteer resources at the grassroots level.

☐ H.R. — (No. 30) Allows voluntary party donation add-on on Federal tax returns.

This bill would allow every Federal taxpayer the opportunity, by checking a box on his or her income tax return, to make a voluntary contribution to the party of his or her choice. Without using taxpayer funds it would encourage taxpayers to participate in the elections process at a time when their interest in cost-effective government is at its peak.

☐ H.R. — (No. 31) Replace the Federal subsidy of National party conventions with a $1 voluntary party tax credit check-off.

This bill would replace a Federal subsidy for party extravaganzas with an incentive for ordinary taxpayers to support the party of their choice. Funds thus raised would be available to support challenger candidates and replace party funds lost by limits on PAC and soft money contributions.

3. The following bills ensure that all funds spent for the purpose of influencing of a Federal election are fully and promptly disclosed.

Six bills to close campaign reporting loopholes.

☐ H.R. — (No. 32) To set a 24 hour deadline for reporting "late" contributions.

This bill would require contributions received within 10 days of an election to be reported within 24 hours of receipt by telegram, express mail. FAX or similar means.

☐ H.R. — (No. 33) To require disclosure of all Federal, State, and local party funds used to influence a Federal election.

This bill would require all party committees to report to the FEC funds spent for party building, voter registration and get-out-the-vote activities.

☐ H.R. — (No. 34) To require disclosure of all union and corporate member communication, voter registration, and get-out-the-vote activities.

This bill would require unions and corporations to disclose the sums they now spend to influence political campaigns that escape scrutiny under current law.

☐ H.R. — (No. 35) To require disclosure of all candidate related voter education expenditures and all voter registration expenditures by nonprofit entities.

Nonprofit organizations spend large sums of non-disclosed funds on technically neutral candidate education programs and voter registration activities that can have a significant impact on Federal elections. Although there are Constitutional barriers to complete disclosure of all aspects of a nonprofit organization's activity, some disclosure is certainly warranted.

☐ H.R. — (No. 36) To require disclosure of PAC overhead and director conflict of interest.

This bill would require PACs to report to their donors on funds spent for fundraising and overhead as well as on any conflict of interest of directors who also receive payments from, have contracts with, or benefit financially in any other way from the expenditures of the PAC.

☐ H.R. — (No. 37) To allow the FEC to reinstate random audits of political campaigns.

Under pressure from Members of Congress, the FEC stopped conducting random audits of campaigns several years ago. Those audits, while burdensome to those involved, were an important deterrent to improper campaign practices, and should be reinstated.

4. The following bill ensures that elections for Congress are held in districts that are not distorted by partisan gerrymandering

A bill to set national standards for fair redistricting.

☐ H.R. — (No. 38) To require that Congressional districts maintain community integrity, compactness, and contiguity, and that public access is protected during the redistricting process.

This bill would require that local counties and cities not be unnecessarily divided by a state redistricting plan and that districts be reasonably compact and contiguous. It also requires that information used to prepare the plan be available to the public and that the plan be available in advance for public inspection.

To indicate which bills you would like to cosponsor, you may return this summary sheet to House Subcommittee on Elections, H330, The Capitol.

LIMIT INCUMBENT FRANKED MAIL

— 1. Ban unsolicited franked mail.
Or — 2. Ban franked mass mailings.
Or — 3. Ban on postal patron mail.
Or — 4. Limit of 1 postal patron mailing per year.
Or — 5. 50 percent cut in franking funds.
Or — 6. 1 million piece franking limit per election cycle.
— 7. Disclose Member franking cost.

LIMIT EXCESS CAMPAIGN FUNDS

— 8. Return excess campaign funds after each election.
— 9. End grandfather clause now.
Or — 10. End grandfather clause '91.
Or — 11. End grandfather clause '93.

LIMIT INCUMBENT FUNDRAISING

— 12. Ban transfers among PACs and candidate committees.
— 13. Ban unopposed incumbent fundraising in non-election years.
— 14. Ban fundraising inside the Beltway.

EXPAND PARTY CONTRIBUTIONS

— 15. Challenger can get party funds to offset incumbent taxpayer benefit.
— 16. Party consulting exempt from limits on contributions to candidates.
— 17. Party can match donations up to $200 to candidates.

REDUCE CAMPAIGN COSTS

— 18. Candidates can use nonprofit postage rates.
— 19. One-half hr. of free media time per station per candidate.
— 20. Free media time for candidate debates.
— 21. 50 percent media rate cut for candidates.

LIMIT PACS

— 22. No contributions to candidates by PACs that use union/corporate resources.
— 23. $1.000 PAC contribution limit.
Or — 24. $2,500 PAC contribution limit.

BAN BUNDLING/SOFT MONEY

— 25. Ban bundling.
— 26. Ban soft money to national parties.

ENCOURAGE SMALL/LOCAL DONORS

— 27. Majority of funds must be raised in district.
— 28. Parties can match individual donations of up to $250 from within the district.

STRENGTHEN PARTY FUNDRAISING

— 29. Local party independent from state/national party limits.
— 30. Voluntary party donation add-on for tax returns.
— 31. Voluntary $1 party checkoff tax-credit.

FULL DISCLOSURE

— 32. 24 hr. reporting deadline for late contributions.
— 33. Disclose all national, state and local party funds.
— 34. Disclose all union/corporate political activity.
— 35. Disclose all non-profit candidate and voter registration related spending.
— 36. Disclose PAC overhead and director conflict of interest.
— 37. Allow FEC random audits.

FAIR REDISTRICTING

— 38. National redistricting standards.

If you have any additional campaign reform ideas, please note here or on back of page.

_____

I would like to cosponsor the legislation indicated above.

_____

Signature

_____

Name of Member

Mr. UPTON. I can tell you this was a very important piece in my office the last couple of weeks as we began to look at this. I sat down with my staff and we had about a 2-hour discussion.

We went through every one of the gentleman's items, "Fred, where do you stand? Where do you think we can make some improvements?"

We are looking to introduce my own bill and taking some of the substance from the gentleman from California, some of what I have done in my past with my own voluntary PAC contribution. On of the things we looked at is: let us focus on making sure that the district that one represents in this body sends that individual and funds that individual to get here in the first place.

I indicated before I think we ought to have a maximum amount of dollars that come from PAC's to one's campaign. Forty percent is where I am today.

But what I would also like to see, sort of extending what the gentleman from California indicated, is that that remaining 60 percent, and maybe larger, hopefully it will be, from individuals, let us make sure that 75 percent of those dollars in that remaining part of the pie come from that person's district. That of course under the Federal Election Commission rules that we have today, we have to identify someone's residence and place of occupation for contributions of more than $200 and it would be very easy to determine that in fact 75 percent of the individual contributions came from that person's district.

Mr. THOMAS of California. One of my concerns, and I look forward to some of the concepts that the gentleman is pursuing, is trying not to make it mechanical; 20 percent of this, 30 percent of that, 40 percent of this, 75 percent of that. What I am trying to do is to create a system which will comfortably fit over 435 very diverse geographic and populated districts.

It seems to me there are two areas which have not been fully utilized in our political system recently. One obviously is the political parties. I am fond of saying "unshackle" the parties.

For example, a new and creative way to do that would be to, if you do get local contributions of under $250, let us say, why could not the political party, the national political party, match that money? You have to raise it locally first and then the party can assist.

What I am trying to do is in picking, admittedly, an arbitrary number like a majority, is to try to change the direction of contact of candidates. The reason they come to Washington and the reason they stay in Washington is because that is the current money system. If you want to get them back in the district, if you want to force them to have a 1-to-1 relationship with the people who are actually going to participate in the voting in the election, then you can change the money system and you will tell them, "Go back home to get your money."

Now what is that going to do? It is going to require PAC's to alter their form to the new form of financing. No longer will it be quite such that it is a centralized, concentrated check-collecting operation; they will become more of a decentralized educational disbursal structure which many of us thought was the direction that it was supposed to go in the first place.

So what I am trying to do is not set in place a number of mechanical structures which people are trying to correspond to under the law, "Oops, I have got to get this, and oops, I have got to get that"; what I am trying to do is fundamentally change the relationships within the political arena and then from those changed relationships will flow what I think is a far more beneficial structure; that is, local control of campaign financing.

Mr. Speaker, I thank the gentleman very much for the time.

Mr. GUNDERSON. Mr. Speaker, I appreciate the gentleman's contribution and especially his leadership in this whole area both on the task force and certainly the elections subcommittee and as ranking member of the Committee on House Administration. We really appreciate the leadership he has given in this area.

I yield to my good friend from Missouri.

Mr. EMERSON. I compliment my friend on the very fine contribution that is being made here this morning to a necessary dialog. I think some of the points just made by the gentleman from California are well taken. I do not know where all of this debate leads, but certainly this debate needs to occur and it has to have a very positive end result.

I would suggest that the laws of the Federal Election Campaign Act and perhaps the ethics rules of the House, which also need reforming, are too complex and cumbersome.

I can relate a personal example. In the last campaign I had 179 technical violations of FEC reports. These were omissions, because we did not know, omissions of filing someone's profession together with their name, address and the amount that they have contributed. Sometimes you might have an address that is in error, and that is considered a technical violation.

I might say also that I was executive assistant to the chairman of the first Federal Election Commission, and I have been familiar with election campaign laws since there were dramatic developments in it back in the 1970's.

So I have watched this whole evolution occur, sometimes happily and other times with dismay.

I think one of the problems is the complexity of the law and the difficulty to comply in letter as well as with the spirit of the law.

With the background that I have had with the FEC, understanding its genesis and what have you, I have sought diligently to conform with every aspect of it. But even in trying—I have an accountant, and staff people who dot every i and cross every t—it is almost impossible to not make some technical error.

I think we need to look at the complexity of the situation, the fact that it can be confusing and contradictory.

What I think we need both in campaign financing reform and in ethics reform in the House here, is rules that are very clear, understandable to everyone, that everyone can agree upon. I do not think that is all too difficult to obtain. I think we need to make it simple and we need to make the punishments severe.

But we need to know in a realistic way what the rules are and let us get beyond this quibbling about minor technicalities. Let us identify the real problem areas and address them but not get hung up on minor technicalities which can lend themselves to a great deal of finger pointing.

I want to thank the gentleman and all others who have contributed to this debate this morning and commend them on the very necessary thing they are doing. I look forward to working with the gentleman in the well and others as this matter progresses here in the House.

Mr. Speaker, I thank the gentleman for yielding.

Mr. GUNDERSON. I thank the gentleman from Missouri.

I really appreciate the gentleman's remarks and his contribution.

Now as we shift a little bit, and it was a perfect transition from campaign reform to ethics reform, let me call on one of the cochairs of the bipartisan commission on ethics reform, Congresswoman LYNN MARTIN of Illinois. I am delighted that the gentlewoman is here.

Mrs. MARTIN of Illinois. I thank the gentleman from Wisconsin, and I tell him that I am wearing multiple hats today. It is not just as cochairman of the ethics reform task force which is, I think, working in a bipartisan way in a manner I have never experienced around here. So my compliments to the chairman of that, VIC FAZIO, and some of the other members. I am not sure if we are going to come out with everything that Members want and that the public deserves, but I must tell you that it is an experience that I believe that the House, unlike Chicago, is ready for reform. Remembering Patty Bonner, "We ain't ready for reform," but the House is. I hope the reform will not be cosmetic in nature, in the name of reform. It is not an attempt to make honest Members unable to perform but to have a simplified system which the public and Members can both understand and follow without question.

Mr. Speaker, I thank the gentleman for yielding this time to me and commend him on taking this special order on the need to reform this House. The British statesman, Edmund Burke, drew a distinction between innovation and reform. Whereas the former tended to be change for the sake of change, the latter was aimed at addressing specific abuses in a timely and temperate way for the purpose of preserving the good in the system.

Reform in order to preserve. That is our watchword today as we consider

how we might restore the people's House in this bicentennial of the First Congress. One of the most alarming trends in recent years has been the decline in the committee system and process and the consequent deterioration of what I would call deliberative democracy. We too often act as if it is more important simply to enact laws on certain problems than it is to first consider what those laws should contain.

The Republican rules package, entitled the "Bicentennial House Restoration Mandate," offered at the beginning of this 101st Congress was designed to address a whole range of problems that beset our institution. It was introduced as House Resolution 61 on February 3 by our distinguished Republican Policy Committee chairman, Mr. EDWARDS of Oklahoma, and now has 66 cosponsors. I hope the Rules Committee will give this package early consideration.

I have introduced a similar package of reforms aimed specifically at the committee system—House Resolution 106, the committee process reforms of 1989 now has 25 cosponsors. At the heart of my package of reforms is a requirement that all committees be limited to no more than six subcommittees, that members be limited to no more than four subcommittees, that committee staff be reduced by 10 percent, and that we abolish the joint referral of legislation. These steps, should help to make our committee system more manageable and accountable. Moreover, my resolution calls for restoring the May 15 reporting deadline for authorizations.

I was pleased to read in the June 6 Washington Post an op-ed piece by our Democratic colleague from Indiana [Mr. HAMILTON], entitled "Reinvigorating Congress." He called for ethics and campaign finance reform, and went on to call for institutional reforms. To quote from his opinion piece: "We need to reduce the excessive number of subcommittees tying up legislation, cut down the number of times the same issue is considered on the floor, and make it more difficult to miss budget deadlines."

Mr. Speaker, I commend our colleague across the aisle, and others like him, who recognize that the time has come for the House to reform itself if we are to preserve the best of our representative and deliberative system of government. And I call on them to join us in a bipartisan effort to restore the people's House to its rightful role.

At this point in the RECORD I include a summary of my committee process reform resolution:

H. RES. 106—SUMMARY OF "COMMITTEE PROCESS REFORMS OF 1989"

(A resolution introduced by Representative Lynn Martin to amend House Rules "to restore the committee system to its rightful role in the legislative process.")

Sec. 1. Title.—"Committee Process Reforms of 1989."

Sec. 2. (a) House Rules would be amended as follows:

(1) *Oversight reform*—Committees would be required to formally adopt and submit to the House Administration Committee by March 1st of the first session their oversight plans for that Congress. The House Administration Committee, after consultation with the majority and minority leaders, would report the plans to the House by March 15th together with its recommendations, and those of the joint leadership group to assure coordination between committees. The Speaker would be authorized to appoint ad hoc oversight committees for specific tasks from the membership of committees with shared jurisdiction. Committees would be required to include an oversight section in their final activity report at the end of a Congress.

(2) *Multiple Referral of Legislation*—The joint referral of bills to two or more committees would be abolished, while split and sequential referrals would be retained, subject to time limits and designation by the Speaker of a committee of principal jurisdiction.

(3) *Committee Elections and Organization*—Committees would be elected not later than seven legislative days after the convening of a new Congress and must organize not later than three legislative days thereafter.

(4) *Committee Ratios*—The party ratios on committees would be required to reflect that of the full House (except for Standards of Official Conduct which is bipartisan). The requirement would extend to select and conference committees as well.

(5) *Subcommittee Limits*—No committee (except appropriations) could have more than six subcommittees, and no Member could have more than four subcommittee assignments.

(6) *Proxy Voting Ban*—All proxy voting on committees would be prohibited.

(7) *Open Meetings*—Committee meetings could only be closed by majority vote for national security, personal privacy, or personnel reasons.

(8) *Majority Quorums*—A majority of the membership of a committee would be required for the transaction of any business.

(9) *Report Accountability*—The names of those voting for and against reporting measures shall be included in the committee report, and, if a measure is reported on a non-recorded vote, the names of those members actually present shall instead be listed in the committee report.

(10) *Prior Availability of Draft Report*—A draft committee report must be made available to members at least one legislative day prior to its consideration.

(11) *Committee Documents*—Committee documents intended for public dissemination, other than factual materials, must either be voted on by the committee and opportunity afforded for additional views, or must carry a disclaimer on their cover that they have not been approved by the committee and do not necessarily reflect the views of its members.

(12) *Unreported Bills*—It would not be in order, except by two-thirds vote, to consider a rule in the House on a bill that has not been reported from committee.

(13) *Committee Staffing*—Committee funding resolutions could not be considered until the House has first adopted a resolution from the House Administration Committee setting an overall limit on committee staffing for the session. The minority would be entitled to up to one-third of the investigative staff funds, on request. The overall committee staff limit for the 101st Congress could not be more than 90% of the total at the end of the 100th Congress.

(14) *Authorization Reporting Deadline*—Committees would be required to report authorization bills not later than May 15 preceding the beginning of the fiscal year to which they apply.

(b) *Effective Date:* The provisions of the resolution shall take effect upon adoption, so far as they are applicable.

□ 1120

Mr. UPTON. Mr. Speaker, will the gentlewoman yield?

Mrs. MARTIN of Illinois. I yield to the gentleman from Michigan.

Mr. UPTON. I thank the gentlewoman for yielding.

The gentlewoman talked about committees, and I happened to come across a statistic that I think the American public will find absolutely appalling. In the last 20 years the number of committees, standing committees, has relatively stayed the same. We have about 21, 22 committees. However, the number of subcommittee staff over the two-decade period has risen from 629 staff members to 2,085. That is a 231-percent increase, despite having, literally, no increase almost in the last 20 years in terms of the number of full committees.

The cost of operating the House in a 2-year Congress has risen from $165 million in 1967 and 1968 to $1.13 billion in 1987, 1988, a 585-percent increase, and most of that is the number of staff that we have increased. Just amazing numbers.

The gentleman from Wisconsin the other day talked about, when we had a press conference with our great leader, the gentleman from Illinois [Mr. MICHEL], talked about the number of subcommittees that Bill Bennett, our new drug czar, has had to testify, in addition to getting prepared, 53 subcommittees he has testified in the 2 months he has been in office. Here he is supposed to be getting together a national plan on how we are going to fight drugs and reduce drugs in our country, which is due in September. In the meantime, he has to spend hours, days, and weeks testifying.

Mrs. MARTIN of Illinois. Mr. Speaker, if the gentleman will yield, on that particular subject it is a perfect example, and I do know a little bit about it. We, for instance, have a committee on drugs, very hard-working committee, that is not allowed to bring legislation forward. If we really are serious about an issue such as drugs, we should, just as we made the executive do, have this one committee, whether it lasts for 2 years or 5 years, that could oversee all of this. The argument is turf. How do Members take it away from some other subcommittee? I think maybe

this House more often than it is doing should remember that the object is to accomplish something, not to just have another subcommittee on a résumé or, frankly, another press release.

I believe most Members of the House are quite decent. However, we have just gone out of control on this. I absolutely agree.

Mr. GUNDERSON. Mr. Speaker, I appreciate very much the contribution of the gentlewoman from Illinois. I do not know how we, as an institution, can criticize the executive branch or suggest they get their act together in the different agencies and departments on the drug war if we are unwilling to do so ourselves in terms of our jurisdiction and authority, legislative, over that all-important issue of trying to cleanup our streets and our neighborhoods and save our young people.

Let me, at this time, yield to one of our newer Members. I need to say that this Member, who was a public citizen and who was so moved by the cause of reform here in the Congress that it moved him to run against all odds, and to be successful in those odds. I have told this story many times around the country, although the gentleman is not aware of it, but the gentleman is an example of the citizen legislator who has been motivated to come here and help in reform. Personally, I am delighted the gentleman has chosen to contribute in these discussions. I yield to my good friend, the gentleman from Florida [Mr. JAMES].

Mr. JAMES. Mr. Speaker, when the former Speaker resigned from office last week, he did so gracefully, with great emotion. His words prompted deep compassion.

But, despite his words to the contrary, the former Speaker wasn't the victim of a vendetta, nor was his downfall the result of partisanship. Regretfully, his fall was the result of his breaches of House rules and ethics.

Has this disregard for ethics become the rule rather than the exception?

I know one thing—this is a sad time for the ideals of "people's government." The Speaker's ethical demise is an institutional tragedy, an American tragedy, for it reflects a branch of Government whose majority is out of touch with reality. Too many Members of Congress seem to have forgotten that we work for the people—and we're subject to their needs and their beliefs.

I agree wholeheartedly with the former Speaker that we must end the "mindless cannibalism." But there is a cancer of ethical misbehavior festering in government. It must be exorcised. No, we cannot tolerate personal vendettas and character assassination, but we will not tolerate corruption in Congress.

Sweeping and historic reforms are needed. Campaign laws must be revised—to give challengers a chance. Election to the House should not be a lifetime appointment, like the House of Lords. It's the "People's House," and it belongs to the American people, not the Members.

Ethics laws must be changed to remove the potential for corruption and punish those who are corrupt. Honoraria must be outlawed—and that includes book royalties. The American people send us to Washington to write laws, not books. If you want to be an author for hire—get out of Congress. We must close the loophole that allows retiring Members of Congress who were elected prior to 1980 to keep unused campaign funds as a personal retirement account. That's absurd.

American citizens who choose to become financially involved in the political process should not unknowingly be tricked into funding a luxurious lifestyle for a retiring politician. And we must seal shut the revolving door which ferries outgoing Members of Congress in to high paying lobbying jobs where they peddle their influence for big dollars. For too long, Congress has paid lip service to honesty and integrity while unethically operating beneath the cloak of congressional exemption and immunity. This must stop. The House should not be above the people—it is of the people, for the people, and by the people.

And House procedures must be changed to allow the views of all the people to be heard. Most Members of Congress cannot demand a vote on an issue—cannot even force the issue to the floor for debate, and are not even held accountable for how they vote so that citizens can clearly see what is happening in the House. The power cliques that control the House must be broken and the sunlight allowed to reach every corner. In the words of a great jurist—sunlight is the best disinfectant.

For 35 years Democrats have been the majority in the House of Representatives. This generation of ironclad rule has created a warped feeling of invulnerability in the hearts and minds of some Democratic Members.

What else could explain two prominent and intelligent Members of the Democratic leadership, being forced to resign amidst ethical storm clouds?

We must strike out boldly for change now. We have an opportunity to reform an out-of-control Congress. If we cannot restore honesty and integrity, this Congress will never be able to craft and implement policies that will meet the needs of the American people.

This is not a partisan issue—it transcends partisan politics. Honesty and integrity are a national concern, a national challenge. No party, no politician is exempt from its impact and importance.

Let us learn the lesson of this embarrassing episode. Adlai Stevenson said that public confidence in the integrity of government is indispensable to faith in democracy; and when we lose faith in the system, we have lost faith in everything we fight and spend for. Let us act to restore the American people's faith in our Government. Our ability to retain our strength as a Nation hangs in the balance.

□ 1130

Mr. GUNDERSON. Mr. Speaker, I appreciate very much the gentleman's contribution to our whole discussion here, our beginning discussion as we begin to look on an ongoing basis over the next few weeks and months to the broader concept of reform. I certainly look foward to the gentleman's willingness to continue working with us in this regard.

Mr. JAMES. Mr. Speaker, I thank the gentleman for his very kind words.

This is a concern of ours. I think we have an opportunity, a real opportunity, to cleanse and to purify the system in which we work, and I look forward to being a part of that. In my position on the Subcommittee on Administrative Law and Governmental Relations, I hope to participate certainly on the criminal side of the ledger. As vice chairman of that subcommittee, I would say that I hope we will put forward and implement laws and suggest laws for Congress that will clarify some of the issues that admittedly may be confusing at some point.

Mr. GUNDERSON. Mr. Speaker, I appreciate the gentleman's participation very much.

Mr. EMERSON. Mr. Speaker, will the gentleman yield?

Mr. GUNDERSON. I yield again to my good friend, the gentleman from Missouri.

Mr. EMERSON. Mr. Speaker, I would just like to make the point that I hope as we proceed on this important aspect of procedural reform that we also keep some perspective. I think it would be well for us to look historically perhaps at what has worked in the past, at what was, for whatever reason, discarded but may yet work once again. I think there are probably many lessons to be derived from the history of this body.

I have had the unique and, I might say for myself, wonderful experience of having served in this body back in the decade of the 1950's for 3 years as a page. During the decade of the 1960's, I was a staff person for the whole time here in the House of Representatives and in the Senate. During the decade of the 1970's I was a lobbyist. So I have seen the institution in close proximity from the outside. And during the decade of the 1980's I have

been a Member. So I have seen a lot of evolution over the years.

I would maintain, among other things, that we have been strongly influenced in my lifetime by the advent of television and jet air travel, and that has had a profound effect upon scheduling here in the House.

I would have to say that I think in the past couple of years there has been a marked improvement in legislative scheduling. I think this was a concern of our now Speaker, TOM FOLEY, when he was the whip, and as majority leader he addressed that matter. I have complimented him for that. We know that scheduling is much more predictable now. We know the days we are going to be here, what is going to be scheduled, and when we are going to likely have votes.

But there are other things under the heading of procedural reform that we ought to be considering. I maintain that Congress does not need to be a year-round institution. If we came here in January and buckled down the way they used to, we could get our work completed. I can remember in the 83d Congress we adjourned sine die the first week in August. We adjourned in the first week of August rather than the end of July because Robert Taft, the then majority leader of the Senate, passed away and we had a state funeral for him, and it would not have been appropriate to have adjourned on July 31 in the midst of a state funeral. So we adjourned on the 2d or 3d of August in 1953.

But if we came in here and buckled down and got organized, why could we not begin our diligent committee work, then see that legislation moves on the floor, and be out of here by July or August or September, or whenever? Times are different now than they were in the 1950's, and perhaps the pressures really are greater than they were then. But I think we could save ourselves a great deal of grief and expense and wear and tear if we came here and stayed here and worked as a legislative body. That is not to say that we should not go back to our districts in the course of the session, but maybe not with the frequency that we now feel compelled to go back, running out there every weekend because jet airplanes make that so available, and, of course, our constitutents have come to expect it.

But I think we need seriously to look at things like that. Even considering ideas about committees meeting, maybe we would have to have mandatory attendance in Washington, but we could have committee meetings, say, for a 2-week period, during which the House would not meet, and then the House could meet for 2 weeks and take up the issues that were ripe for consideration that had been reported by the committees so that we could be on a readily predictable schedule that would inject a little more order into the lives of Members and their families than currently exists.

These are just some extraneous thoughts that were evoked from the discussion here that I wanted to share with the Members for the moment. I actually look forward to working with the gentleman closely in the weeks and months ahead, and I hope to share these and some other observations. I do not think there are any magic solutions, but I think we need to view this whole issue in some historical perspective. I would be concerned that we try to invent the wheel. I think the rules to which we need to adhere are well established in custom and law. We just need to sort them out and discern which ones are practical and applicable in the decade that we are fast approaching.

Mr. GUNDERSON. Mr. Speaker, I really appreciate the gentleman's remarks. Both the gentleman and I serve on the Committee on Agriculture in the House, and those who have been watching us over this past hour may have noticed that we were just visiting with our distinguished chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA].

The gentleman from Texas made the comment during our discussions; he said, "Be careful that you don't make the inference that every Member of Congress is bad, and that Congress as an institution is totally bad."

I think that is worth mentioning because he is absolutely right. The vast majority of the Members of this Congress from both parties, both sides of the aisle, liberal and conservative, are well-meaning public servants who are here because they are trying to do what they believe is best for the country, and most of them, frankly, are here at great personal sacrifice.

I think it is absolutely important, as we begin this discussion, that we do it under the concept that we are not here to destroy individual Members of Congress; we are here to rebuild the institution under the general concept of restoring or remaking a Congress that we can be proud of.

There are four general areas of reform we need to talk about: Obviously, campaign reform; obviously ethics reform; and procedural reform becomes key because, while that is technical, it is really the key element in how we make our laws, so that becomes essential, because if we do not have good rules regarding the debate on foreign policy or public policy, we are not going to have good policy. I think from that standpoint, that may probably be as important as any of the others. Finally, there is an area that we have not in our time had much opportunity to discuss, and that is the whole concept of legislative reform.

The American public wants us to restore Congress as an institution they can be proud of, but they also want us, as a part of that, to solve the problems facing the Nation today. And there are many problems, whether it be the capital gains concern, whether it be the budget deficit, whether it be section 89, whether it be education reform, or whether it be cleaning up the environment or just a whole host of those types of issues. We need to respond to the housing needs of the younger generation, and crime and drugs probably becomes the most preeminent in that area. And we have to deal with the child care needs of the young. There is an agenda out there demanding the attention of the Congress so that we can respond to the needs of the people.

Mr. Speaker, in my closing minutes, let me yield once again to my friend, the gentleman from Michigan [Mr. UPTON].

□ 1140

Mr. UPTON. Mr. Speaker, I just want to say that the gentleman from Wisconsin [Mr. GUNDERSON] has made a number of excellent points, including all of the speakers that we have had today, and I know that we would have had more speakers had we actually had votes today, but when we adjourned yesterday, there was no legislative business scheduled until next week. But this is a real opportunity for us.

Mr. Speaker, we are at a real threshold. We have a new Speaker this week. He laid down the gauntlet. He said earlier this week that we would have a package, a reform package, that would be done this session.

We have embarked on a bipartisan commission in essence to look at some of the problems, certainly correct some of those with a whole number of varieties, and I am very optimistic that we can fashion a package to make some changes around here to make this a more responsive institution to the people that we serve, and it will, therefore, clearly bring up the esteem of this institution that has lost a little bit of its luster over the last couple of months, and I think it will be great for America, truly great for America.

Certainly the good hour that we have spent here today, the discussions that we have had in the cloakrooms or on the floor during votes, certainly what we have heard from our constituents, including myself just this morning—a number of calls came in from my district—tells us the country is waiting for us to act. We need to act before they act to throw all of us out, and I think that by recognizing that problem, as we have here today, by putting a little bit of pressure on our leaders, both Republicans as well as Democrats, we can in fact make some changes, some very constructive

changes, that will see the type of reforms that the American public truly wants.

Mr. Speaker, we have just begun a new chapter in the history of the House of Representatives—the speakership of TOM FOLEY, a man whom I admire and respect. As deputy Republican whip, I have taken out this special order today to urge upon our new Speaker a new way of doing the business of the House—doing business in a way that is fair—fair to all Members of Congress and fair to the American people.

I am not here to complain about the partisanship of my Democratic colleagues. On the contrary, party rivalries are unavoidable, and—if conducted under fair rules—usually conducive to the public good. I do not want to destroy partisanship in the House. Rather, I want to help restore a competitive two-party system in the House of Representatives.

The sad truth of the matter is that there has been a steady and unmistakable erosion of fair and open debate in the House. Often only one set of ideas gets consideration; a competing set is stifled every step of the way. Committees hold hearings on items of partisan interest to the majority; equally pressing concerns which are the priority of minority members are often ignored. Certain bills come to the floor with great haste; other bills, like a balanced budget amendment to the Constitution, are never considered on the House floor or even in committee.

This is not fair. Our democratic government works only if it is truly democratic. Democracy only works if all sides of each issue are represented, debated, clarified, and then decided by a fully informed and freely cast vote.

Mr. Speaker, we House Republicans are not demanding to win every vote. We are not demanding the unrealistic or the undeserved. We simply ask for fairness. Fairness for our ideas, for our membership, for the people whom we represent.

Mr. Speaker, we need to reform the way the House works and the way its Members run for election and reelection. In the area of election reform, I personally support and have cosponsored several bills to limit the influence of political action committees, and to increase the influence of the "little people" who live and work in the districts we represent.

In the area of reelection reform, I support limits on an incumbent's use of the congressional frank, and limits on the now ceaseless pursuit of PAC money.

In the area of institutional reform, I support limits on congressional staffs, on the size of Congress' budget, and on the kudzu-like encroachment on the executive and judicial branches. The congressional committee structure is a key procedural impediment, for nothing is debated on the House floor which does not move through committee. Although the number of committees in the past 20 years has remained stable, committee staff has grown out of control. In 1968 there were 629 committee staff in the entire Congress. By 1988 committee staff had tripled to more than 2,100 staff. This unfair committee structure—stacked against the minority party—results in almost tyrannical control of the House floor agenda.

In the area of procedural reforms, I support more open committee hearings and more open floor debate. The most egregious procedural violations occur in the budget area. Ten years ago only 19 percent of floor rules provided for a Budget Act waiver. Today, more than half of all rules reported by the Rules Committee waive Budget Action points of order. This is not fair.

Mr. Speaker, the American people deserve fairness from those of us who bear the title "Representatives." How can we as House Republicans represent the American people fully, without our voice being heard in authorizing committees, on the Budget Committee, on the Rules Committee, in conference committees, and on the House floor?

My colleagues and I have numerous suggestions to reform the House. I hope they are heard. The most promising signal that you, Mr. Speaker, could send to us and to the American people is to hear them, to adopt them, and to restore the House of Representatives as a truly representative House.

Mr. EMERSON. Mr. Speaker, will the gentleman yield?

Mr. UPTON. I yield to the gentleman from Missouri.

Mr. EMERSON. Mr. Speaker, one thing that is always brought up in the course of this discussion about Congress, and our procedure, and our practices, and our ethics and campaign laws is laws that favor incumbency, and I think there is some element of truth to that. We do have to communicate with our constituency, and we would be criticized if we did not. Somehow putting out a press release or putting out a news letter is construed as being a bad thing. I think it is one of the responsibilities of Members to communicate and to communicate frequently with their constituency, and so I think that in terms of how those practices are criticized we had better be careful.

Mr. Speaker, I refer back to my comments earlier in saying, "Let's approach this thing with some historical perspective because, you know, they say"——

The SPEAKER pro tempore. The Chair regrets to advise the gentleman from Missouri [Mr. EMERSON] that the 60 minutes requested has now been consumed.

Mr. GUNDERSON. With that, Mr. Speaker, let me just thank the Chair for his courtesy during this past hour and thank everyone for their participation.

Mr. Speaker, there is going to be another opportunity, I believe, today and certainly in the coming weeks.

I thank all my colleagues for their help as we begin rebuilding a Congress we all can be proud of.

Mr. VANDER JAGT. Mr. Speaker, I rise today to bring to the attention of my colleagues a scholarly work that is of great value in our current efforts to reform the campaign finance laws.

This study, sponsored by the Project for Comprehensive Campaign Reform and carried out by two distinguished academics, Prof. Herb Alexander and Larry Sabato, is unique in its scope and its thoroughness in examining the campaign finance system in America. The information revealed by this study is enlightening and extremely useful to anyone who is attempting to wade through the great number of proposals that have been put forward in this important area. Rather than attempt to retell what these two scholars have found, I include the report they prepared in the RECORD.

EXECUTIVE SUMMARY

INTRODUCTION AND BACKGROUND

In mid-1988 a group of participants in the federal election system, mostly PACs, began to discuss the need for a comprehensive study of proposals to reform the laws governing the election of members of Congress.

The group recognized that this is an area where there is little, if any, current and comprehensive work. It also shared frustrations that the debate on campaign reform in the 100th Congress was often too narrowly focused, driven by myths about the current system and rarely concerned with the practical outcome of the proposed reforms.

After reviewing several suggestions as to how such a study could be undertaken, the group agreed upon a study design which would test most of the current proposals against a set of questions on how they would impact the system. (See Appendix A for the study design). Two professors with extensive expertise in the field—Herb Alexander and Larry Sabato—were approached and, after making their own changes in the design, agreed to undertake the effort. (See Appendix B for background on the authors). Among the changes suggested by the authors and accepted by the sponsors were additions to the list of proposals and tests as well as the flexibility to offer proposals and ideas of their own.

The authors began their work in early 1989 by dividing up the list of reform proposals and exchange their first drafts for critique in March. The final documents for the most part reflect their shared views.

The sponsors organized themselves as the Project for Comprehensive Campaign Reform, a non-profit, non-partisan corporation. PCCR sought broad participation in funding the study. A partial list of sponsors can be found in Appendix C. While the sponsors believe strongly in the need for the study and the contribution it can make to the reform process, they do not necessarily endorse the recommendations.

LIMITATIONS AND EXPECTATIONS

By its very nature, a study of this type cannot be inclusive of all reforms or views. The sponsors wanted and received the views of two acknowledged experts on most of the proposals being considered recently by Congress and by those outside of Congress who have an interest in the subject.

In coming up with the questions to be applied against the proposals, the sponsors and the authors attempted to arrive at a list of generally accepted tests. Many of these tests are taken directly from the stated goals of the advocates of the various proposals—e.g. enhanced competition, amount of money in the systems, time spent raising money, etc. Nonetheless, these tests also cannot be viewed as all inclusive.

Another limitation is that the study design lists the proposals singularly when most campaign reform measures contain several interlocking provisions. While the authors have attempted to relate the pro-

posals to each other and indicate the results of tandem operation, no effort was made to assess the total impact of any specific legislative package.

Within these limitations and other resource restrictions such as time and funding, the sponsors and authors have attempted to make a major contribution to the ongoing debate over campaign finance. The effort will have been successful if it broadens the debate, adds to the understanding of the current system and helps avoid unintended consequences.

It is PCCR's intention to give the study the broadest possible circulation to policy makers, the media, academicians, political practitioners and others concerned about campaign finance. A symposium is scheduled for April 28, 1989 to unveil the study and subject it to the criticism and comment of several other experts in the field. PCCR invites and welcomes any and all reactions.

THE PROBLEMS AND HOW TO ATTACK THEM

Both authors express in their introductions a sense of frustration with the conduct of the current debate. Sabato emphasizes the need to differentiate "between real and pseudo (i.e., imagined) corruption". Alexander refers to "perceived influence" and "indiscriminate criticism".

Yet both lay out specific problems they see in the present system. They agree that reduced competition and increased costs are significant problems. Alexander adds to his list the "created dependency" on PACs. Sabato points to the decline of the political parties, the decrease of small donors and disclosure loopholes.

Among the goals and guidelines to be used toward improving the system, the authors offer:

Alexander: improve disclosure; regulate the problem areas most widely perceived as crucial; keep concentrations of power in check; use government assistance where necessary, but with least intrusion; ease fundraising and diminish dependencies; retain flexibility.

Sabato: eliminate real corruption and remove pseudo corruption from the debate; subtract from campaign costs without reducing communications volume; build political parties; reduce influence of large, special interests without infringing on basic freedoms; maintain and increase competition; and increase public participation by broadening the base of small donors.

Both authors caution against violating constitutional freedoms, producing unintended consequences and other limitations. Sabato warns, ". . . the complexity of the system and its flaws require an admission of inevitable, partial failure. The only 'perfect' solutions to some campaign financial dilemmas cause worse problems in other spheres or even abrogation of precious constitutional rights."

Alexander says ". . . it should be made clear at the outset that election reform is not neutral. It works to change institutions and processes, sometimes in unforeseen ways . . ." and, "There is an sense of irony, that no matter how well intended election laws are, the consequences are sometimes contrary. . . ."

Neither believes, however, that these limitations should prevent attempts to improve the system. Alexander: "This (unwanted outcomes) is not a reason to retain the status quo, because change may be desirable and perhaps should be tried. But it is a reason to weigh the possible consequences of change as carefully as possible."

Sabato: "The alternatives in campaign financing are sometimes presented as an unappealing choice between leaving a deteriorating system alone and instituting bad reforms. But there are other options, which together compose a multi-faceted menu of changes that addresses both corruption and unrelated problems in campaign finance."

SUMMARY OF FINDINGS AND RECOMMENDATIONS

The following attempts to give a quick overview of the authors' findings and recommendations. For more detailed information see the matrix charts in Appendix D where the specific proposals are applied against the tests and, of course, the complete papers by each author.

ALEXANDER

Contribution Limits.—Supports raising individual contribution limits to $2,500 per candidate per election; raising calendar year individual limit to $62,500 split evenly between (1) candidates and PACs and (2) party committees; indexing of limits, but maintainence of current PAC limit; opposes outright prohibition of bundling.

Public Financing.—Points out problems with current proposals and recommends spending floors provided by public financing, but not expenditure ceilings; any plan should cover both primary and general elections; $2 tax checkoff to provide for Congressional elections and a separate checkoff of $1 per year for parties, both in addition to current presidential checkoff.

Soft Money.—Continue use of soft money for party strengthening and citizen participation; prohibit soft money raising or spending by presidential sponsored entities; require widespread reporting of soft money with FEC maintaining separate accounts of disclosures.

Expenditure Limits.—Opposes limits for congressional campaigns because they have proven to be illusory and ineffective at presidential level; if enacted they should account for state size and population; recommends developing campaign cost index to replace the Consumer Price Index as measure of any expenditure limits and contribution limits.

Tax Credits.—Re-enact tax credits of 100% of donations up to $50 on single return and $100 on joint return; donations to PACs would not receive a credit.

Wealthy Candidates.—Opposes offsets for opponents to wealthy candidates.

Registration and Voter Turnout.—Encourage states to permit registration by mail and in public state offices; require U.S. Postal Service to provide forms to re-register people who move.

SABATO

PAC Limits.—Opposes increased limitations on PACs because ". . . the hidden costs and consequences . . . are enormous and destructive"; recommends a ban on PAC double-giving and a moratorium on gifts to previously opposed candidates.

Spending Ceilings.—Opposes ceilings because of bias toward incumbents and because they will not control expenditures.

Nonresident Contributions.—Opposes ban because all districts and members are not equal in influence or ability to raise funds; argues that citizens should be free to favor or oppose candidates who are important to them regardless of where they live.

"Zeroing Out" Campaign Treasuries.—Opposes zeroing out because it would not achieve objective of reducing demand.

Restricting the Fundraising Period.—Opposes restriction mainly because it would favor incumbents over challengers.

Banning Member PACs.—Opposes ban because it would not effectively halt support through personal campaign committees or bundling.

Independent Expenditures and Free Response Time.—Opposes restrictions on independent expenditures as unconstitutional; supports disclosure, but opposes free response time as open to abuse.

Free Media Time.—Supports making available two hours of free time every year to national party committees and to each state party committee.

Strengthening the Political Parties.—Limits on individual contributions to party committees should be substantially increased; unlimited, but fully disclosed, contributions to party committees for administrative, legal and accounting expenditures; federal and state tax credits for donations to parties or a tax "add-on" for parties.

Broadening Disclosure.—Supports disclosure as "the single greatest check on the excesses of campaign finance, . . ."; would require filing of direct mail solicitation letters; disclosure of fundraising and administrative costs and candidate selections to donors; non-connected PACs would be required to establish and disclose a fully independent, active board of directors; would require disclosure of costs of administering PACs, full disclosure of building funds, candidate related foundations and all soft money.

Restricting Honoraria.—Favors severe restrictions or elimination of honoraiá and special interest junketing.

Banning the Grandfather Clause.—Supports eliminating the clause as the "outrage of outrages."

Free Mailing for Challengers.—Supports one free election year mailing for non-incumbent nominees.

SIMILARITIES AND DIFFERENCES

Because the authors were asked to study different measures, it is not possible to compare their findings. At the same time, there are items in their work where subjects overlap and comparisons are possible.

For example, both authors support stronger political parties, full disclosure across the board, higher individual contribution limits and tax incentives, check-offs or add-ons. On the issue of soft money, they both note the beneficial aspects of its use for party building and citizen participation, but want to see better disclosure and an end to abuses.

They both express the need to lessen the dependence on organized giving. However, rather than adding new restrictions on that source, they urge expansion of other sources.

While both oppose campaign expenditure limits, they appear to differ slightly as to their main rationales.

CONCLUSIONS

Both Alexander and Sabato use their conclusions to summarize their proposals and the arguments for them. As such, the closing sections represent the best summaries of this project. Some of their general comments deserve repetition here.

ALEXANDER

"The public generally is dissatisfied with what is considered to be high costs and with certain uses of political money but there is only mixed support for suggested remedies such as public financing. Good public policy is dependent upon reliable information, but there are those with a vested interest in essentially unworkable policies who sometimes provide incomplete or distorted data.

And the media often are not critical or discriminating in analyzing the offered information. Accordingly, while the public may not have a sharp definition of desirable direction, many actions costing taxpayers money may be considered by the public to be self-serving. In these circumstances, Members of Congress have some freedom of action if they have the will to surmount a certain level of public displeasure.

"While an ideal system can be proposed, consideration needs to be given to what is judged to be politically feasible. Even the ideal would be subject to unforeseen consequences as well as intended results. Even the ideal may result in the opening of new channels for money when old ones are limited or closed off.

"Yet there is clear need to be bold and constructive, and not to temporize or continue a flawed system, as we have done since 1974. The rise in campaign costs is inexorable and no system of expenditure limits will be effective in containing high levels of spending."

SABATO

"The proposals advocated here are designed to produce a better political system and a more enlightening campaign process. But no goal is more vital than the restoration of public confidence in that system and process. The many charges of corruption that have been raised in the last two decades—some accurate and some not—have almost certainly increased the level of public cynicism about politics and battered the voters' trust in the fairness of American government. That is why it is of critical importance for the next set of campaign finance reforms to solve real problems instead of imagined ones. A clear-eyed understanding of the limits of reform and a deep appreciation for constitutional freedoms that cannot be abridged will be required to create a workable, as well as a more wholesome, system of campaign finance. By contrast, if we focus on the wrong targets or insist on unrealistic perfection and purity, then we will treat symptoms and not causes and will merely create another jerry-built rig of good intentions and unintended consequences. The rig's eventual, inevitable collapse will increase public cynicism still further, and responsible, effective reform will be ever more difficult to achieve. We can and must do better in our next attempt at reform."

STEVEN F. STOCKMEYER,
Study Director.

APRIL 15, 1989.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL MIDNIGHT TOMORROW TO FILE A REPORT ON H.R. 2042, AMENDMENTS TO TITLE V OF THE AGRICULTURAL ACT OF 1949

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight, tomorrow, June 9, 1989, to file a report on the bill (H.R. 2042), to amend title V of the Agricultural Act of 1949 to allow producers to provide the appropriate county committees with actual yields for the 1989 and subsequent crop years.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL MIDNIGHT TOMORROW TO FILE A REPORT ON H.R. 2469, LIMITING RIGHT OF FIRST REFUSAL BY FHA AND FARM CREDIT SYSTEM

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight, tomorrow, June 9, 1989, to file a report on the bill (H.R. 2469) to limit a previous owner's right of first refusal in the case of fraud or resale for sales of farm property by the Farmers Home Administration and the Farm Credit System.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

A TRIBUTE TO DEPARTING PAGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. EMERSON] is recognized for 5 minutes.

Mr. EMERSON. Mr. Speaker, this is the season for graduations. Many of my colleagues and I have accepted invitations to deliver commencement addresses at high schools and colleges in our home districts. Here in the House of Representatives we have a commencement of our own to celebrate. Tomorrow will be the last day of work and the departure ceremony for the House Page School class of 1989.

These young men and women come to Washington from all over the United States to serve us here in the House as pages and I am proud to say that they have continued the splendid tradition of service to the Members on which we have come to depend. Peggy Sampson and Lenny Donnelly, the Republican and Democratic page supervisors, are the people who train our pages and guide them through the many tasks that make our lives easier. I would like to thank them for the work they do with the pages.

The pages perform a variety of tasks which make the job of the Members and our staffs much easier. Messages and mail, bills and briefcases are shuttled back and forth between offices by pages. The flags which we send to our constituents are delivered to the flag office and returned to our offices by the pages. The phone calls which we receive while here, in the Chamber, are received and delivered to us by pages. The whip packets are assembled and delivered to us by the pages. Even the legislative bells which summon us to vote are rung by the pages. These jobs may not be the most glamorous on Capitol Hill, but they are extremely important to the Members and I want the pages to know that we appreciate them.

Before the pages come to the Capitol for work each day, they attend the House Page School in the Library of Congress. It is there, in the early hours of each weekday that Dr. Robert Knautz and his faculty of Shirley Alexander, Barbara Bowen, Pat Caulfield, Randy Mawer, Linda Miranda, Bob Nelson, and Ron Weitzel ensure that our youngest employees continue their education. Mr. Speaker, I am amazed that the page school is able to structure an education program that meets the needs of the diverse group of students who come to us from all over the country. Our teachers continually strive for excellence in education. Academic excellence is measured in many ways. One way is admission to the National Honor Society. I was extremely pleased to learn that, last week, 16 of our pages were inducted into the National Honor Society. This is in addition to 23 pages who had already been inducted into this prestigious organization by their home schools.

Mr. Speaker, while the pages are in Washington, they live in the Page Residence Hall. It is not always easy for these young men and women to move away from their families and friends to serve here in Washington. Adjustments must be made to new surroundings, a new school, work schedules, and new friends. Myla Moss, the residence hall director, and her staff; Monica Zunt, Jeff Hyler, Katie Siewert, Joe Tonucci, and Alisa Lewis should be congratulated for helping our pages make these adjustments. The pages really do come to be like a family while they live here. This will be evident tomorrow night and Saturday when the pages say goodbye to each other.

Another person we will have to say goodbye to is Jeff Hyler, one of the proctors at the residence hall. Jeff has graduated from college and is taking a well earned vacation before beginning training as a naval aviator this fall. I would like to thank him for his work at the residence hall and wish him well in his new duties. He has been a good friend to the pages during the past few years.

Mr. Speaker, it was 34 years ago that I graduated from the old Capitol Page School. I remember that it was a time of mixed emotions for us. We were sad to say goodbye to the friends we made here in Washington. But we were proud of the job we had done and grateful for the opportunity to serve as pages. My page experience is one of the main reasons I decided to enter public service. I hope that the experiences that this years' class have en-

joyed will help them in whatever occupation they may choose to pursue.

Mr. Speaker, as these young people prepare to return home, I would like to take this opportunity, on behalf of myself and my colleagues on the Page Board—indeed, all of our colleagues—to thank them for a job well done and to extend best wishes to them in all they do.

Mr. Speaker, I am including a list of all the pages who served us so well this past year.

SPRING 1989 PAGES

Adams, J. Clark.
Anthony, Amy.
Aronberg, Jill.
Barlow, Janice.
Beard, Gregory.
Bianchini, Gina.
Burton, Sherri.
Chambliss, Rhodi.
Close, Kirsten.
Courtright, E. Bentley.
Cothern, Rachel.
Cronin, Kathryn.
Davis, Patricia.
Decos, A. Lissette.
De Los Santos, Peter.
Dorin, Melinda.
Eckel, Scott.
Ensign, Thomas.
Felton, Elijah.
Fowlkes, Danari.
Gagnon, Catherine.
Gast, Michele.
Glenn, Scott.
Goldberg-Meehan, Shana.
Hagan, Janet.
Henderson, Amy.
Henn, Stephen.
Holifield, Lamont.
Hughes, Kristen.
Hutcheson, Laura.
Jealous, Benjamin.
Kendall, Sarah.
Kingfield, Kristen.
Lallier, Meric.
Lee, Su-May.
Lloyd-Still, Robert.
McCain, Penelope.
McNabb, Kelsey.
McVicker, Carolyn.
Meyer, Candice.
Miller, J. Duncan.
Morris, Scott.
Moses, Kimberly.
Oros, Gabriel.
Parker, Anthony.
Pennington, Lee.
Perez, Ernest.
Peters, Lynn.
Quinn, Sean.
Roberts, Cheyenne.
Sanchez, Ivan.
Shaw, Erika.
Snyder, Stacy.
Spencer, Kyllie.
Stead, Lara.
Storey, Leslie.
Strasheim, Rolf.
Walker, J. Andrew.
Wells, Katherine.
West, Matthew.
Williams, Craig.
Williams, Thomas.
Winfield, Charles.
Zayas, Vivian.

□ 1150

UNDERSTANDING LATIN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I would like to second the statement of our distinguished colleague, the gentleman from Missouri [Mr. EMERSON] and his acknowledgment of the soon-to-be graduated class of pages. Through the years that I have had the honor to serve this institution, 28 years, it has been quite an inspiring experience to see the youth who come up here who manifest an interest and develop the loyalty and the faithfulness to serve, sometimes perhaps to an outsider in a servile or a menial task, but actually in effect exposing them to one of the greatest experiences of any democratic country, and perhaps a singular experience, given the nature of our system, in the whole world. What I have seen has been by far the hope, the promise of the real wealth, the real strength of America in these very young, hopeful, intelligent eyes that I have witnessed through the years. Both young male and female pages have been outstanding, in my book. I, for one, wish to give tribute to the particular page that I have from my district, who has served and will be graduating tomorrow with great distinction, Peter De Los Santos. He has been a marvelous young man.

I think so many people, my colleagues, outside the confines of this institution do not realize what a rigid test and requirement each one of the pages must meet in order to serve now as a page of the U.S. House of Representatives as well as the Senate.

So I want to thank the gentleman from Missouri [Mr. EMERSON] and I want to wish godspeed and in all future endeavors nothing but success and happiness to each one of these pages who will be graduating tomorrow.

Mr. Speaker, the thing that motivates my addressing my colleagues today is a matter that is not concerned with the main preoccupation of the moment, as chairman of the Committee on Banking, Finance and Urban Affairs, that is the current crisis that is afflicting our financial institutional life in the United States. It is a great crisis, unprecedented in 55 years, but that is not what I am rising here for.

I am rising in order to continue a subject matter for discussion that I first began on April 1, 1980, the President then being President Jimmy Carter. Then later with great intensity and great travail and almost a demoralizing feeling during the entire years of President Reagan's administration.

On April 1, 1980, for the first time since I had come to the Congress in 1961, I addressed a subject matter that generally and popularly we tend to say concerning what we call Latin America, but which is, I am afraid, too pat a way for us to continue to indulge in. I think every day that goes by that we continue in this dangerous indulgence, we are in effect predicting and casting our coming generations, these pages and their children and their grandchildren, to a world that we now are shaping for them inexorably, and I think if we continue, disastrously, as I have said all these 8 years.

On April 1, 1980, I rose because and I explained then and I am going to recapitulate in order to bring coherency to what I am attempting to say today. The September prior, 1979, I had received a visit from three individuals, one of whom came from my district and had served with great distinction in what turned out to be military intelligence with the Army and who had just come back on a particular tour to attempt to visit the State Department, after having been in both the recent Nicaraguan revolution, working in behalf of the security of the American Embassy there, but later in the summer and that September in El Salvador. What he told me then and predicted occurred just like he had predicted, so his plea to me was, "Can you get hold of somebody in the administration and the White House and advise them that this and this is happening and this and this is going to happen for sure and that the U.S. Embassy and the Ambassador will be under great jeopardy?"

Well, I failed at that time. There have been administrations during which as an individual Member of the House I have had ready access and there have been those in which I have not. The one with the greatest accessibility was the first President that I served under, Mr. Kennedy, who had been a friend of mine since 1951 and with whom I had perhaps the closest personal association of any other President, including my great fellow Texan, President Lyndon Johnson. Of course, Lyndon Johnson was the most accessible public man I have ever known, even including local officials; but other administrations, including the Democratic administration of President Carter, were not quite that accessible, and I failed to convey to the proper people on the level of some judgment-making evaluations what was conveyed to me.

The other two individuals were members of a Peace Corps group that had served in Guatemala and later in El Salvador. What they said coincided with what the first one said.

Realizing that everything that had been predicted happened, including the machinegunning of the American Embassy, a serious threat to the stability of the American diplomatic

corps, as well as others, I then took the floor on April 1, 1980. It was my way of trying to communicate with the administration and the President. I appealed to the President not to succumb to the temptation of sending military contingents, because it was then that the first group was decided upon to be sent to El Salvador. Reportedly it was going to be no more than 57, but as I reminded my colleagues, it was reminiscent of what happened in 1963 in May in what turned out to be Vietnam, that I doubt seriously anybody even knew at that time where it was and what had been given to me by way of information by a then-airman in San Antonio, the same thing. I thought it was ironic that the same fact situation had arisen.

So I asked the President to please initiate diplomatic relations with the American leaders, both through his moral suasion of leadership which he then had, as well as the tangible leadership in the councils of this great body in the Organization of American States and to heed the Treaty of Rio and the understanding of Punta del Este and other prior understandings, and said categorically that I felt the administration and the United States would have no more than 90 days in order to assert its last vestigial residual influence as a leader, not a military leader, not a leader because of its superior force, but because it was a natural superior moral leader.

□ 1200

It was with great dismay that I noticed that I was, of course, completely overlooked. As a matter of fact, I will say that I have received more ridicule, at least in printed reports and even out-and-out criticisms on the part of my hometown papers, for even using special orders than I have received any other kind of notice, other than some very wonderful colleagues who have either listened or have read my words and have communicated with me their equal concern.

Be that as it may, the rest is history. Mr. Carter lost in November. Mr. Reagan came in and immediately his Secretary of State, General Haig, announced a policy of militarization. He drew the line, so to speak, and said, "I am drawing the line, and I am drawing it in El Salvador." That is the smallest nation in that whole isthmus, and it is not a north-south issue. It is an east-west issue, and he said, "We are not only going to draw the line here, if necessary we will go to the root of the cause," meaning Cuba.

That was immediately reported as not a veiled but an outright promise for direct military intervention. This was a Secretary of State talking, not the Secretary of Defense, nor the President himself. He was drawing the line. He was making it a Marxist-Leninist-Cuban issue. Every word that came from El Salvador, as it had from Nicaragua, was that in El Salvador we had a continuing, continuing effort on the part of the masses of people since 1932, and the bloody uprising then that was crushed brutally with the loss of over 30,000 lives, because at that time who even read about those countries, but the world has shrunk, as I pointed out in 1980.

Latin America is radically different from what it was even 5 years before, and certainly much more than it was at the time of Kennedy's announcement of the partnership, the great alliance. What it meant was that the world has contracted. It has shortened. There is not the least peasant submerged in the grossest of poverty comparable to any anywhere else on any other continent in such places as Guatemala, where we have suffered and even aided and abetted genocide against some of the most impoverished groups of Indians in those hills of Guatemala on which I have spoken out here in the House.

Anyway, it was with great dismay that time after time I would repeatedly show that what the United States was doing was evoking a 1929 Calvin Coolidge program without even an initial effort to proceed diplomatically. Usually military is called in when diplomacy has failed, but in this case intervention was immediately the program. I took the floor and denounced it. Soon after that, it became a partisan issue, and I was accused of being partisan, forgetting that I first started speaking out and was equally critical of a Democratic President.

Today, I rise because it should be obvious to me and to everybody else, and it is with great dismay that I say this, and certainly it does not give me any satisfaction to say that while it is not on the headlines, the question of Panama, which incidentally my colleagues cannot say is an issue of communism versus anticommunism or Russian penetration. So wherein can we say that the policies or the actions that have been the case of this Government of ours, sometimes with the actual aid and abettance of this Congress, have been anything but bankrupt in El Salvador after 8 years and $4 billion-plus of investment? Where are we? We are not any closer to any kind of happy solution than we were then. In fact, we are farther away and with a negative ultimate presence of the United States, where we should be positive and affirmative, and at a time when the world is breaking into regions, Japan in the Far East almost recouping its co-sphere of prosperity of prewar Japan, in Europe where they are uniting, centralizing, and now have worked a pretty good effective common currency, monetary system, which again I have been addressing since 1979.

While they are integrating, we seem to be disintegrating. We have the natural position to be the leaders in every way in the New World. This is our co-sphere of influence and leadership. As I said for 8 years, we are not going to shoot ourselves in the hearts of what we call the Latin Americans.

Mr. Speaker, it was with great trepidation exactly 2 years ago this last March 5 that I introduced an impeachment resolution based on the fact that Mr. Reagan was violating not only our domestic laws but some of the basic international laws, and mostly because there was no question about it, that preparations were well under way for a direct invasion of Nicaragua.

Always fortunately we have had, as we have had in the civil side of our Government, real integral military advisers, but also as we have had in the civil government, always had, the danger of political penetration, and we have had political generals whose advice has cost us severely in the past, all through our history incidentally, but we have also had the professionals, and their estimates were far different from what the political generals were trying to tell the President, President Reagan.

I took this floor repeatedly. I am convinced that when Speaker JIM WRIGHT joined in speaking out in warning, he doomed himself, because he antagonized the most powerful forces of any country in any part of the world, and that I am convinced of. I have tracked from the moment he even had a dialog with Daniel Ortega, for example, but today I rise to tell my colleagues that with this stalemate in Panama, that 90 percent of it has been our making.

Gen. Manuel Antonio Noriega is a product of our confusion and our counterproductive mishmash of intelligence agencies and their incapacity to even communicate with each other. Less than 4 years ago Gen. Manuel Antonio Noriega was on the payroll of the CIA and was getting a net total of over $200,000, which is as much as our American President receives. He was cheek-by-jowl with such characters as Colonel North, because he was like the criminal element in our country that our law-enforcement agents unhappily worked with in an effort to get somebody else, who have been so adept and so wily that they use that in order to actually win out against the law-enforcement agents.

The kind of narcotics and dope trade we have had would not be possible in our country unless there had been a hand-in-glove arrangement between the political and the business, and in this case it turned out to be even the military. It could not happen if that kind of an agreement back in the penumbra of the darkened rooms in the

Caribbean and the isthmus were not taking place.

□ 1210

And General Noriega, who is a product not of the military academy of the United States but that of Peru, he epitomizes, and it is what he has banked on up to now, that blatant nationalism that so stoutly resists American, what they call American imperialism. How could this happen in Panama, where we have total control? Where we still control their currency? Why should he still remain in power? Simply because, as I was trying to assess 20 years ago, Panama was beginning to be the focal point of what I called and still call the Latin dollar market.

You have these huge international corporate and financial entities using the special laws that Panama has created, far more than even the so-called secret Swiss accounts, in order for them to launder this money. This is where Noriega successfully nourished the friendship of the chief drug merchants of the Western Hemisphere whereas at the same time, cheek by jowl, with the American intelligence agents who were saying, "Hey, he is helping us with this dope trade control."

How in the world can we say anything but that we are to blame when in 1984, for example, the election then, as soon as the election was announced the person in control declared that the vote had been won by his party, which in effect was not true; the opposition party leaders were beaten up bloodily. Did we protest? No. Who was it? It was Gen. Manuel Antonio Noriega in 1984.

And what happened after all that beating up and fraudulent election? Secretary of State George Shultz went down there to his coronation. Oh, but then in 1989, same thing, same scene, and we have to send the troops down. How were Americans treated? We have one reason here, the complexity of the situation is that we have better than 40,000 Americans that are living either in the city of Panama or elsewhere within the jurisdiction of that Government, or off the actual premises of that part of which we still have control, the bases and some parts of the commission-ruled entities.

The time to have moved was then because it was then that we had assaults on Americans. It was then that Americans were attacked.

But, no, in fact camaraderie was increased. We had, to our shame, the same thing the French had when they were fighting their colony in Algeria. The French had six different intelligence components working at odds with each other. And that is what we did. We had Army intelligence groups bugging Noriega's house while the CIA is making deals with him, DEA is making deals with him, and Colonel North is making deals with him.

How else can this be other than making us the laughingstock?

So the reason I am getting up today is to say this: No matter what happens to Noriega, first, we are not going to be able to impose a democratic system on people who have not quite for themselves reached that point. They would all secretly love for American soldiers to move in and bring them an honest election. But if we do that, have we given democracy? That is, other than at the price of several thousand of our soldiers? Why should we have to do that when we could accomplish the same thing by using our wit and our will and just living up to the traditions of American, honest Government? That is all. That is all it would take.

That is what I told Mr. Carter on April 1, 1980. That is what I told Mr. Reagan, ad infinitum—some say ad nauseam—for 8 years. That is what I am saying today.

My friends, let me tell you something: I do not care how Noriega deports, you will not solve this problem, we still have the basic problem. We still have to learn to use our ingenuity to discern the complexity of that society.

One reason Noriega has been able to stay there and does not fear or at least, has controlled some of his subalterns. After all, it was General Torrijos with whom we made the treaty on the canal that made a system where there would be only one general; you would have about 7 colonels and about some 13 lieutenant colonels. But the tradition there is for them to follow the coterie who have studied at the same institutions, and that is at Latin American war colleges, not United States.

This has been lost sight of in America. On top of that, Noriega has been able to use the frustrations and the racial strife that exists between that part of the Panamanians of negro descent and the ruling classes that are 100 percent white.

In 1984 there was a candidate who wanted to challenge Mr. Noriega and Mr. Noriega got him, and he then said, "I am going to expose you," and he did. He accused Noriega of drug pedding, he accused Noriega of two-timing the United States with respect to the Nicaraguan so-called Contras. Why, we went so far as to get a ship from the Middle East with arms, routed through Panama, with Mr. Noriega supposedly delivering those to the Contras.

That blew up in our faces because he has been on both sides, just like a criminal who is working cheek by jowl with a trusting law enforcement agency that does not want to do the law enforcement on its own but has to have the crutch, the help of an established criminal who sometimes outsmarts them by getting somebody else hooked and they get an immunity.

This is pretty much what has happened on the international scene with respect to Panama.

Now I will say this: We should be preparing our policies now. I do not know what will happen if Noriega is deposed. He may be deposed but you will get somebody else right now that will not be too different. It will still be military, it still will not be democratic.

The man that we backed, the deposed Delvalle, was the man that Noriega put into the presidency after 1984. The other man who did expose him was jailed and under threat of his life, was compelled to recant and then sent into exile, where he still is.

The Senate committee had hearings from the other leader, Blandon, who is on record here in sworn testimony, as to the same accusations and charges against General Noriega.

I am sure that the average Panamanian, with the exception of those whose nationalism, whose fervor is so great that they can tolerate with the fear of an American invasion and they can exalt that nationalism; but what we have got to consider is what are we going to do, no matter how Noriega goes? What should be our policy? How should we in order to keep—what is that—the respect and good opinion and the cooperation of the other nations that share with us the destiny in the Western Hemisphere? I say time is awasting. We should not fritter ourselves now on having made a heel out of a guy that we had all our national leaders doing business with and doing it in what I would consider to have been an unacceptable way had it been exposed generally.

□ 1220

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DUNCAN) to revise and extend their remarks and include extraneous material:)

Mr. EMERSON, for 5 minutes, today.

Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mrs. PATTERSON) to revise and extend their remarks and include extraneous material:)

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

(The following Member (at the request of Mr. GONZALEZ) to revise and extend his remarks and include extraneous material:)

Mr. OBEY, for 5 minutes each day, on June 14 and 15.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DUNCAN) and to include extraneous material:)

Mr. WYLIE.

Mr. GINGRICH in two instances.

Mr. VANDER JAGT.

(The following Members (at the request of Mrs. PATTERSON) and to include extraneous material:)

Mr. WYDEN.

Mr. FORD of Michigan.

Mr. BROWDER.

Mr. ROE.

Mr. FAZIO.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until Monday, June 12, 1989, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1332. A letter from the Secretary of Education transmitting a copy of final regulations—national diffusion network, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1333. A letter from the Secretary of Education transmitting a copy of final regulations for the student assistance general provisions and guaranteed student loan and PLUS programs, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1334. A letter from the Administrator, Agency for International Development, transmitting for the President, the annual report for 1987-88 on the implementation of section 620(s) of the Foreign Assistance Act of 1961, as amended, pursuant to 22 U.S.C. 2370(s)(2); to the Committee on Foreign Affairs.

1335. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed lease of defense articles to Peru (Transmittal No. 19-89), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1336. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed lease of defense articles to Brazil (Transmittal No. 24-89), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1337. A letter from the Secretary of Transportation transmitting the semiannual report of the activities of the inspector general for the period ended March 31, 1989, pursuant to Public Law 95-452, section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

1338. A letter from the Attorney General transmitting the Department's annual report on actions taken to increase competition for contracts, pursuant to 41 U.S.C. 419; to the Committee on Government Operations.

1339. A letter from the Secretary of Labor transmitting a report on activities under the Freedom of Information Act for the calendar year 1988, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1340. A letter from the Chairman, Federal Election Commission, transmitting the 14th annual report on the Commission's activities for 1988, pursuant to 2 U.S.C. 438(a)(9); to the Committee on House Administration.

1341. A letter from the Board of Governors, U.S. Postal Service, transmitting the semiannual report on the civil misrepresentation activities of the U.S. Postal Service for the period October 1, 1988 through March 31, 1989, pursuant to 39 U.S.C. 3013 (97 Stat. 1317); to the Committee on Post Office and Civil Service.

1342. A letter from the Coordinator, Governmental and Public Affairs, Tennessee Valley Authority, transmitting a copy of the Authority's statistical summaries as part of their annual report for the fiscal year beginning October 1, 1987, and ending September 30, 1988, pursuant to 16 U.S.C. 831h(a); to the Committee on Public Works and Transportation.

1343. A letter from the Secretary of Veterans' Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to authorize a headstone allowance for prepurchased grave markers; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GONZALEZ: Committee on Banking, Finance and Urban Affairs. Supplemental report on H.R. 1278 (Rept. 101-54, Pt. 7). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. APPLEGATE (for himself, Mr. BOEHLERT, Mr. BRYANT, Mr. BUSTAMANTE, Mrs. BYRON, Mr. DE LUGO, Mr. FISH, Mr. HAYES of Louisiana, Mr. HOCHBRUECKNER, Mr. MARTINEZ, Mr. RAVENEL, Mr. SHAYS, Mr. SKAGGS, Mr. TRAFICANT, and Mr. COURTER):

H.R. 2584. A bill to amend the Hazardous Materials Transportation Act to improve safety with respect to the transportation of hazardous materials; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

By Mr. LELAND (for himself, Mr. MOLINARI, Mr. FLORIO, Mr. SIKORSKI, Mr. WAXMAN, Mr. TORRES, Mrs. ROUKEMA, Mr. FORD of Tennessee, Mr. NOWAK, Mr. SCHEUER, Mr. MARKEY, Mr. SAXTON, Mr. SMITH of New Jersey, and Mr. BATES):

H.R. 2585. A bill to control the release of toxic air pollutants, to reduce the threat of catastrophic chemical accidents, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BILIRAKIS:

H.R. 2586. A bill to amend the Clean Air Act to provide further controls of certain stationary sources of sulfur dioxides and nitrogen oxides to reduce acid deposition, to provide for the commercialization of clean coal technologies for existing stationary sources, and for other purposes; to the Committee on Energy and Commerce.

By Mr. CONTE (for himself, Mr. DINGELL, Mr. JONES of North Carolina, and Mr. DAVIS):

H.R. 2587. A bill to conserve North American wetland ecosystems and waterfowl and other migratory birds and fish and wildlife that depend upon such habitats; to the Committee on Merchant Marine and Fisheries.

By Mr. CONYERS:

H.R. 2588. A bill to direct the Secretary of Education to make grants to State and local educational agencies and community-based organizations to provide education programs and other education-related services to inmates confined in correctional institutions, and to establish the Center for Correctional Education; to the Committee on Education and Labor.

By Mr. DELAY (for himself, Mr. ARMEY, Mr. BLILEY, Mr. BURTON of Indiana, Mr. CRANE, Mr. DANNEMEYER, Mr. DOUGLAS, Mr. JAMES, Mr. COMBEST, Mr. BARTLETT, Mr. BARTON of Texas, Mr. COBLE, Mr. GINGRICH, Mr. HANCOCK, Mr. BALLENGER, Mr. EDWARDS of Oklahoma, Mr. COX, Mr. MCMILLAN of North Carolina, Mr. DORNAN of California, Mr. DONALD E. LUKENS, Mr. ROHRABACHER, Mr. PACKARD, Mr. HANSEN, Mr. CRAIG, Mr. GILLMOR, Mrs. VUCANOVICH, Mr. NIELSON of Utah, Mr. KOLBE, Mr. STUMP, Mr. DREIER of California, Mr. DENNY SMITH, Mr. MCCOLLUM, Mr. SMITH of Texas, Mr. WALKER, Mr. ARCHER, and Mr. ROGERS):

H.R. 2589. A bill to restore certain political rights to workers; to the Committee on House Administration.

By Mr. EDWARDS of Oklahoma:

H.R. 2590. A bill to provide a delay in the effective date of section 89 of the Internal Revenue Code of 1986 until July 1, 1990; to the Committee on Ways and Means.

By Mr. FORD of Michigan (for himself and Mr. NEAL of Massachusetts):

H.R. 2591. A bill to establish a national program to expand opportunities for Americans, especially students, to serve their communities; to the Committee on Education and Labor.

By Ms. SCHNEIDER (for herself and Mr. FRANK):

H.R. 2592. A bill to provide for a study by the General Accounting Office of recent cutbacks and transfers in personnel and resources at local offices of the Social Security Administration, to provide for a moratorium on further changes in staffing levels at such offices, and to amend titles II and XVI of the Social Security Act to provide for protective accountability for communications with the Social Security Administration; to the Committee on Ways and Means.

By Mr. SCHUMER (for himself, Mr. SOLARZ, Mr. WEISS, Mr. HOCHBRUECKNER, Mr. OWENS of New York, Mr. ENGEL, and Mr. SCHEUER):

H.R. 2593. A bill to make the antitrust laws applicable for a 2-year period to any professional baseball team that unfairly deprives its supporters of the opportunity to

receive regular over-the-air television broadcasts of games in a season; to the Committee on the Judiciary.

By Mr. SHAW (for himself, Mr. BENNETT, Mr. FASCELL, Mr. GIBBONS, Mr. YOUNG of Florida, Mr. LEHMAN of Florida, Mr. IRELAND, Mr. HUTTO, Mr. NELSON of Florida, Mr. MCCOLLUM, Mr. BILIRAKIS, Mr. LEWIS of Florida, Mr. SMITH of Florida, Mr. GRANT, Mr. GOSS, Mr. JAMES, Mr. JOHNSTON of Florida, and Mr. STEARNS):

H.R. 2594. A bill to name the Department of Veterans' Affairs outpatient clinic located at 1900 Mason Avenue, Daytona Beach, FL, as the "William V. Chappell, Jr., Veterans' Outpatient Clinic"; to the Committee on Veterans' Affairs.

By Mr. SMITH of New Hampshire:

H.R. 2595. A bill to authorize the detail of personnel of the Department of Defense to the Immigration and Naturalization Service for border patrol-related activities; jointly, to the Committees on Armed Services and the Judiciary.

By Mr. SMITH of New Hampshire (for himself, Mr. DORNAN of California, Mr. ROSE, Mr. LANTOS, Mr. PALLONE, Mr. CARPER, Mr. SWIFT, Mrs. COLLINS, Mr. TOWNS, Mr. ROE, Mr. KLECZKA, Mr. JACOBS, Mr. MRAZEK, Mr. STALLINGS, Mr. EDWARDS of California, Mr. DYMALLY, Mr. MARTINEZ, Mr. FAZIO, Mr. VENTO, Mrs. SCHROEDER, Mr. RAVENEL, Mr. WALSH, Mr. DANNEMEYER, Mr. HANCOCK, Mr. HAYES of Illinois, and Mr. PARRIS):

H.R. 2596. A bill to provide for the transfer of certain animals, commonly known as the Silver Spring Monkeys, to any of certain entities; to the Committee on Energy and Commerce.

By Mr. WYDEN (for himself, Mr. THOMAS A. LUKEN, Mr. ECKART, Mr. SWIFT, Mr. SYNAR, Mr. MARKEY, Mr. BATES, Mr. AUCOIN, Mr. DEFAZIO, Mr. GEJDENSON, Mr. MRAZEK, Mr. OWENS of Utah, Mr. FAUNTROY, Mr. HUGHES, Mr. VENTO, and Ms. KAPTUR):

H.R. 2597. A bill to amend the Solid Waste Disposal Act to improve compliance with hazardous waste laws at Federal facilities, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BATES (for himself, Mr. PORTER, Mrs. JOHNSON of Connecticut, Mr. MOODY, Mr. TRAFICANT, Mrs. BYRON, Mr. JONES of Georgia, Mr. MOAKLEY, Mr. PANETTA, Mr. JONES of North Carolina, Mr. DYSON, Mr. FROST, Mr. HILER, Mr. ROBERTS, Mr. THOMAS of California, Mr. GARCIA, Mr. FAUNTROY, Mr. SPRATT, Mr. DE LUGO, Mr. CONTE, Mr. FAWELL, Mr. FAZIO, Mr. FRANK, Mr. HORTON, Mr. MARTINEZ, Mr. OWENS of New York, Mr. LIPINSKI, Mr. GOSS, Mr. DWYER of New Jersey, Mr. RANGEL, Mr. REGULA, Mr. SHUMWAY, Mrs. COLLINS, Mr. BERMAN, Mr. CONYERS, and Mr. SAVAGE):

H.J. Res. 291. Joint resolution designating November 16, 1989, as "Interstitial Cystitis Awareness Day"; to the Committee on Post Office and Civil Service.

By Mr. DORGAN of North Dakota (for himself, Mr. LELAND, Mr. BEREUTER, Mr. HALL of Ohio, Mr. PENNY, Mr. FOGLIETTA, Mr. FAZIO, Mr. ACKERMAN, Mr. MCNULTY, Mr. FALEOMAVAEGA, and Mr. AUCOIN):

H. Con. Res. 145. Concurrent resolution urging the President to refocus foreign assistance, particularly food assistance to Central America, to reintegrate refugees and displaced people into the economic mainstream of Central American nations, and to improve the health, nutrition, and education levels of children, women, and others most in need; to the Committee on Foreign Affairs.

By Mr. RAHALL:

H. Con. Res. 146. Concurrent resolution to designate January 25, 1990, as "American Coal Miner Day" in honor and recognition of the centennial anniversary of the United Mine Workers of America; to the Committee on Post Office and Civil Service.

By Mr. ROHRABACHER (for himself, Mrs. SAIKI, Mr. GINGRICH, Mr. DORNAN of California, Mr. HUNTER, Mr. SMITH of Vermont, Mr. GUNDERSON, Mr. FALEOMAVAEGA, Mr. HORTON, Mr. BLAZ, Mr. COX, Mr. ENGEL, Mr. DANNEMEYER, Mr. HERGER, Mr. LAGOMARSINO, Mr. HANCOCK, Mr. RITTER, Mr. COLEMAN of Missouri, Mr. CAMPBELL of California, Mrs. BENTLEY, Mr. DREIER of California, Mr. GOODLING, and Mr. EVANS):

H. Con. Res. 147. Concurrent resolution expressing the sense of the Congress regarding admissions of minority students to institutions of higher education; jointly, to the Committees on Education and Labor and the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

143. By the SPEAKER: Memorial of the Legislature of the State of Hawaii, relative to the Federal deficit; to the Committee on Government Operations.

144. Also, memorial of the House of Representatives of the State of Hawaii, relative to the Federal deficit; to the Committee on Government Operations.

145. Also, memorial of the Legislature of the State of Hawaii, relative to the expansion of Hawaii's international role in astronomy; to the Committee on Science, Space, and Technology.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 14: Mr. MATSUI.

H.R. 45: Ms. SCHNEIDER.

H.R. 102: Mr. TOWNS and Mr. CLEMENT.

H.R. 187: Mr. STENHOLM, Mr. WILSON, Mr. CHAPMAN, Mr. LEATH of Texas, and Mr. SARPALIUS.

H.R. 188: Mr. STENHOLM, Mr. WILSON, Mr. CHAPMAN, Mr. LEATH of Texas, and Mr. SARPALIUS.

H.R. 454: Mr. ROE, Mr. GARCIA, Mr. HORTON, Mr. ACKERMAN, Mr. DORNAN of California, Mr. FAUNTROY, Mr. DWYER of New Jersey, Ms. PELOSI, Mr. RANGEL, Mr. DYMALLY, Mr. FLORIO, Mr. LAGOMARSINO, Mr. WOLF, Mr. NEAL of Massachusetts, Mr. ATKINS, Mr. DE LUGO, Mrs. COLLINS, Mr. RAHALL, Mr. FAZIO, Mr. ROYBAL, and Ms. KAPTUR.

H.R. 633: Mr. DYSON and Mr. SMITH of Mississippi.

H.R. 720: Mr. HORTON.

H.R. 755: Mr. PACKARD.

H.R. 775: Mr. RAVENEL.

H.R. 799: Mr. JOHNSON of South Dakota and Mr. DONNELLY.

H.R. 965: Mr. TOWNS, Mr. CLEMENT, and Mr. BRYANT.

H.R. 995: Mr. LIVINGSTON, Mr. DICKINSON, and Mr. SMITH of Mississippi.

H.R. 1005: Mr. ENGEL, Mr. BILBRAY, and Mr. LEVINE of California.

H.R. 1083: Mr. SPENCE, Mr. MCNULTY, Mrs. PATTERSON, Mr. HERTEL, Mr. MILLER of Washington, Mr. WALSH, Mr. PARKER, Mr. YOUNG of Alaska, Mrs. COLLINS, and Mr. SOLOMON.

H.R. 1181: Mr. IRELAND, Mr. LEATH of Texas, Mr. MAVROULES, Mr. STENHOLM, and Mr. LIPINSKI.

H.R. 1199: Mrs. PATTERSON, Mr. HARRIS, Mr. ROWLAND of Georgia, and Mr. HOCHBRUECKNER.

H.R. 1291: Mr. MCCURDY, Mr. KASTENMEIER, Mr. ROE, Mr. MCHUGH, Mr. DWYER of New Jersey, Mr. WILSON, Mr. GLICKMAN, Mr. MAVROULES, Mr. RICHARDSON, Mr. SOLARZ, Mr. HYDE, Mr. LIVINGSTON, Mr. SHUSTER, Mr. COMBEST, Mr. BEREUTER, Mr. ROWLAND of Connecticut, and Mr. DORNAN of California.

H.R. 1400: Mr. ANDERSON, Mr. DYSON, Mr. SKELTON, Ms. LONG, Mr. FROST, Mr. JONES of Georgia, and Mr. CARDIN.

H.R. 1416: Mr. DARDEN, Mr. BUNNING, Mr. CHAPMAN, Mr. CLINGER, Mr. SHUMWAY, Mr. GINGRICH, Mr. DEFAZIO, Mr. ROBINSON, Mr. MILLER of Washington, Mr. ENGLISH, Mr. PAXON, Mr. MCMILLAN of North Carolina, Mr. ROBERT F. SMITH, Mr. PERKINS, Mrs. LLOYD, Mr. RAHALL, Mr. SCHAEFER, and Mr. BROWN of California.

H.R. 1465: Mr. PRICE, Mr. OWENS of New York, Mr. DEFAZIO, and Mr. SHAYS.

H.R. 1499: Mr. PARKER and Mr. JONTZ.

H.R. 1643: Mr. FOGLIETTA.

H.R. 1823: Mr. HUTTO.

H.R. 1852: Mr. MAVROULES, Mr. OWENS of Utah, Mr. PANETTA, and Mr. BRENNAN.

H.R. 1860: Mr. OWENS of New York, Mr. TORRES, Mr. DARDEN, Mr. HYDE, Mr. UDALL, Mr. DE LUGO, Mr. MCCLOSKEY, and Mr. PACKARD.

H.R. 1931: Mr. HARRIS and Mr. HOCHBRUECKNER.

H.R. 2051: Mr. EVANS.

H.R. 2273: Mr. KOLTER, Mr. BERMAN, Mr. BILBRAY, Mr. BOUCHER, Mr. GONZALEZ, Mr. ENGEL, Mr. AUCOIN, Mr. FAUNTROY, Mr. MRAZEK, Mr. FORD of Michigan, Mr. STOKES, Mrs. BOGGS, Mr. LIPINSKI, Mr. BUSTAMANTE, Mr. HALL of Ohio, Mr. DORGAN of North Dakota, Mr. VOLKMER, Mr. WALSH, Ms. KAPTUR, Mr. POSHARD, Mr. NEAL of Massachusetts, Mr. ROE, Mr. DERRICK, Mr. JONES of Georgia, Mr. SAVAGE, Mr. BATES, and Mr. HERTEL.

H.R. 2358: Mr. ANTHONY, Mr. CONTE, Mr. EDWARDS of Oklahoma, Mr. FASCELL, and Mr. LIVINGSTON.

H.R. 2420: Mrs. ROUKEMA, Mr. SHAYS, Mr. ESPY, and Mr. LAGOMARSINO.

H.R. 2421: Mr. JOHNSON of South Dakota, and Mr. RAHALL.

H.R. 2460: Mr. RITTER, Mr. TALLON, Mr. DE LUGO, Mr. PAYNE of Virginia, Mr. RIDGE, Mr. CAMPBELL of Colorado, Mr. ENGLISH, and Mr. BEVILL.

H.R. 2499: Mr. DWYER of New Jersey, Mr. PETRI, Mr. SENSENBRENNER, Mr. FAZIO, Mr. MCCLOSKEY, and Mr. HOUGHTON.

H.R. 2504: Mr. LIPINSKI.

H.J. Res. 111: Mr. WOLF, Mr. MILLER of Washington, Mrs. BOXER, Mr. COBLE, Mr. AKAKA, Mr. KASICH, Mr. RAY, Mr. ROE, Mr. TOWNS, Mr. TRAXLER, Mr. ATKINS, Mr. GEJDENSON, Mr. MATSUI, Mr. ENGEL, Mr. DYMALLY, Mr. CLEMENT, Mr. DEFAZIO, Mr. BOSCO, Mr. BLAZ, Mr. BERMAN, Mr. COSTELLO, Mr. BLILEY, Mr. DE LUGO, Mr. DONNELLY, Mr.

CARPER, Mr. ESPY, Mr. FAUNTROY, Mr. PARKER, Mr. FLIPPO, and Mrs. COLLINS.

H.J. Res. 204: Mr. GILLMOR, Mr. SCHAEFER, Mr. DE LA GARZA, Mr. OWENS of Utah, and Ms. SNOWE.

H.J. Res. 230: Mr. DEWINE, Mr. AKAKA, Ms. OAKAR, Mr. CONYERS, Mr. TANNER, Mr. RAVENEL, Mr. FAWELL, Mr. ROBINSON, Mr. MCMILLEN of Maryland, Mr. HARRIS, Mr. TAUZIN, Mr. WELDON, Mr. NOWAK, Mr. OWENS of Utah, Mr. MCGRATH, Mr. DURBIN, Mr. BROWN of Colorado, Mr. MADIGAN, Mr. STEARNS, Mr. CRAIG, Mr. SCHAEFER, Mr. CROCKETT, Mr. VANDER JAGT, Mrs. MORELLA, and Mr. ASPIN.

H.J. Res. 274: Mr. LENT, Mr. RHODES, Mr. THOMAS of California, Mr. LAGOMARSINO, Mr. LEACH of Iowa, Mr. LIGHTFOOT, Mr. MOORHEAD, Mr. PARRIS, Mr. HOYER, Mr. FLIPPO, Mr. BARNARD, Mrs. JOHNSON of Connecticut, Mr. BROOMFIELD, Mr. WHITTAKER, Mr. HOPKINS, Mr. GALLEGLY, Mr. SHAYS, Mr. MILLER of Washington, Mr. GUNDERSON, Mr. PACKARD, Mr. MICHEL, Mr. WALSH, Mr. STENHOLM, Mr. FROST, Mr. FLORIO, Mr. CLINGER, Mr. MCNULTY, Mr. HAYES of Illinois, Mr. ENGEL, Mr. PICKLE, Mr. PERKINS, Mr. MAVROULES, Mrs. VUCANOVICH, Mr. BARTLETT, Mr. BROWN of Colorado, Mr. GINGRICH, Mr. TAUKE, Mr. BONIOR, Mr. HUTTO, Mr. STUDDS, Mr. RAVENEL, Mr. PORTER, Mr. TORRICELLI, Mr. BORSKI, Mr. KENNEDY, Mr. CRAIG, Mr. KOLTER, Mr. KLECZKA, Mr. SAWYER, Mr. RUSSO, Mr. DURBIN, Mr. LAFALCE, Mr. HANSEN, Mr. PARKER, Mr. MONTGOMERY, Mr. EMERSON, Mr. SLAUGHTER of Virginia, Ms. SLAUGHTER of New York, Mr. SWIFT, Mr. LEVIN of Michigan, Mr. FAUNTROY, Mr. HAMMERSCHMIDT, Mr. HOCHBRUECKNER, Mr. MORRISON of Washington, Mr. NATCHER, Mr. BENNETT, Mrs. MEYERS of Kansas, Mr. DORGAN of North Dakota, Mr. SPENCE, Mr. MOAKLEY, Ms. PELOSI, Mr. RITTER, Mr. BAKER, Mr. MCCRERY, Mr. HUNTER, Mr. ANNUNZIO, Mr. UPTON, Mr. SOLARZ, Mr. FASCELL, Mr. JENKINS, Mr. NIELSON of Utah, Mr. DENNY SMITH, Mr. DREIER of California, Mr. YATES, Mr. SCHUMER, Mr. MAZZOLI, Mr. MRAZEK, Mr. BOEHLERT, Mr. CHAPMAN, Mr. DORNAN of California, Mr. LEWIS of California, Mr. LIVINGSTON, Mr. HILER, Mr. PAXON, Ms. SNOWE, Mr. PASHAYAN, Mr. WELDON, Mrs. MARTIN of Illinois, Mr. MADIGAN, Mr. BUECHNER, Mr. BATEMAN, Mrs. SAIKI, Mr. HENRY, Mr. STANGELAND, Mr. GRANDY, Mr. QUILLEN, Mrs. MORELLA, Mr. MCEWEN, Mr. OWENS of Utah, Mr. RAY, Mr. BRENNAN, Mr. HERTEL, Mr. FRANK, Mr. TRAFICANT, Mr. FEIGHAN, Mr. CLEMENT, Mrs. LOWEY of New York.

H. Con. Res. 60: Mr. BILIRAKIS.

H. Con. Res. 87: Mr. GREEN, Mr. PENNY, Mr. MCHUGH, Mr. HORTON, Mr. GALLO, Mr. HILER, Mr. COLEMAN of Texas, Mr. FAUNTROY, Mr. DEFAZIO, Mr. MRAZEK, Mr. BURTON of Indiana, Mr. SIKORSKI, Mr. DELLUMS, Mr. HYDE, Mr. DYMALLY, Mrs. MEYERS of Kansas, Mr. WALSH, Mr. BROWN of California, Mr. MATSUI, Mr. FAWELL, Mrs. MORELLA, Mr. MILLER of California, Mr. SCHEUER, Mr. OWENS of New York, Mr. BUSTAMANTE, and Mr. FAZIO.

H. Con. Res. 130: Mr. AUCOIN, Mr. BERMAN, Mr. BUSTAMANTE, Mr. EVANS, Mr. FAUNTROY, Mr. FOGLIETTA, Mr. GARCIA, Mr. MATSUI, Ms. SCHNEIDER, and Mr. WAXMAN.

H. Res. 120: Ms. SNOWE and Mr. INHOFE.

SENATE—*Thursday, June 8, 1989*

(Legislative day of Tuesday, January 3, 1989)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Today's prayer will be offered by the guest chaplain, the Reverend Kenneth Landelius, Chaplain of the Swedish Parliament, Stockholm, Sweden.

Father Landelius.

PRAYER

The Reverend Kenneth Landelius, Chaplain of the Swedish Parliament, Stockholm, offered the following prayer:

Let us pray:

In God is my salvation and my glory, the rock of my strength and my refuge, is in God. Trust in Him at all times.—Psalm 62:7, 8.

Heavenly Father, we thank You for this new day. We believe that our thoughts, courage, and work are in Your hands.

With Your vision of peace, justice, and health in our hearts we can build a new world, with people and nations living in a spiritual unity.

You know who we are. But You also know what we can be when Your Spirit lives within us. For each one of us You take care, when You look upon us it is always with the love of a father. You are the Creator, full of love and grace. Let Your word and wisdom guide us in our work today.

Give us freedom to find our security not only in what we can touch with our hands and see with our eyes.

The world, with all nations and people, belongs to You, Father. Therefore, You have a meaning with every moment of life.

Believing in Your plan for mankind we leave our lives in Your hands today and always. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

THE GUEST CHAPLAIN'S THOUGHTFUL WORDS

Mr. MITCHELL. Mr. President, on behalf of the Members of the Senate, I extend to our distinguished guest chaplain our gratitude for his presence here today and for his thoughtful words. We hope that the actions of the U.S. Senate can live up to the standard in the words expressed by Reverend Landelius this morning.

We are very grateful to you, Reverend, for being here.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, following the time for the two leaders this morning there will be a period for the transaction of morning business not to extend beyond 12 noon with Senators permitted to speak therein for up to 5 minutes each.

At noon today the Senate will proceed to the consideration of Calendar Item No. 77, H.R. 1722, the natural gas deregulation bill. It is expected that there will be rollcall votes on amendments to that legislation during the day today.

Mr. President, I reserve the remainder of my leader time and I yield to the distinguished Republican leader.

The PRESIDENT pro tempore. Without objection, the time of the majority leader is reserved.

The Chair recognizes the Republican leader under the order.

Mr. DOLE. I thank the Presiding Officer. I would like to ask the majority leader if he has any idea of what may be the agenda for tomorrow, Friday.

Mr. MITCHELL. Mr. President, I have made no decision in that regard. It will depend to some extent upon the course of events today. I do expect to consult with the distinguished Republican leader, the managers of the legislation and others, and to have an announcement on that during the day today.

MINIMUM WAGE

Mr. DOLE. Mr. President, 3 weeks ago—yes, 3 long weeks ago—Congress adopted the conference agreement on the minimum wage. But according to the latest intelligence reports, the agreement has not been sighted anywhere near the White House. It is sitting somewhere on somebody's desk here in the Senate. It is being held hostage.

When the Senate adopted the conference agreement last month, I can recall my distinguished colleague from Massachusetts saying that a minimum wage increase was necessary so that "anyone who wants to work in America will not be condemned to a life of poverty." And I can recall my friend—the distinguished majority leader—saying that the "livelihoods of our lowest paid workers were at stake." He said that the working poor "are about to be held hostage to the President's perceived political needs."

Who are the hostage-takers here? Who is holding up the process? Who is playing politics at the expense of the working poor of this country? Who is holding on to the conference agreement so that they can travel around the country and bash the President?

Mr. President, I think it is about time to free up the process. It is about time for Congress to free the minimum wage bill and send it to the President.

Last month on this floor, I urged, as others urged, that we had to move on to the minimum wage. We know the President is going to veto it. He said he would veto it. He made a good faith offer to the Congress, $4.25 an hour over a 3-year period with a 6-month training wage.

So I would urge my colleagues to move ahead. We must allow the process to work.

If the President vetoes the conference agreement, it will not come as any surprise and I think my colleague from Utah, Senator HATCH, who has been leading the effort on this side, certainly will not be surprised. I do not believe that my friend from Massachusetts, Senator KENNEDY, will be surprised. There have been no surprises.

In fact, I have had printed in the RECORD a letter from the President saying he would veto any bill that raised the minimum wage to more than $4.25 an hour over a 3-year period and that did not contain a 6-month training wage.

I think we have missed the point in the debate on the minimum wage. We are not talking about increasing the minimum wage for the working poor, because the profile of most workers who receive the minimum wage says otherwise: Most minimum wage earners are single, they are 25 years of age or under, and they are not the heads of households. While no one will advocate that you can live on $3.35 an hour or $4 an hour, it would seem to me that we have to look at the simple facts.

How many jobs have we lost in the process? How many small businessmen and women will be forced to reduce

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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their work forces if they are forced to raise the minimum wage to the standard advocated by the other party?

So, I would hope, and I believe I can speak for the President, that we can resolve this issue, resolve it very quickly. But we cannot do it until the President gets the conference agreement, until he has something to look at, something to veto. The President will then deliver an appropriate veto message and hopefully we can act quickly on this matter, reach some agreement among Republicans and Democrats, and have a bill that the President can sign that will be of help to the American workers and the working poor and to others who benefit from the minimum wage.

I urge my colleagues to free up the conference agreement. Send it to the White House. The President is available to veto it.

When he does that, we will start the process over and perhaps this time around we can find some way to resolve any remaining issues.

I reserve the remainder of my time.

The PRESIDENT pro tempore. Without objection, the remaining time of the Republican leader is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the order, there will now be a period for the transaction of morning business to extend until the hour of 12 o'clock noon with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from North Dakota is recognized for not to exceed 5 minutes.

Mr. CONRAD. I thank the Chair.

[The remarks of Mr. CONRAD pertaining to the introduction of S. 1150 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions."]

Mr. CONRAD. I thank the Chair and yield the floor.

The PRESIDENT pro tempore. The Republican leader is recognized.

Mr. DOLE. Mr. President, do I have any leader time remaining?

The PRESIDENT pro tempore. The Republican leader has 5 minutes 25 seconds remaining.

ABC CHILD CARE

Mr. DOLE. Mr. President, this Tuesday the ABC child care bill was put to its first test at the ballot box and it went down to a resounding defeat. Voters in Fremont, CA, looked the issue square in the face and said loud and clear, "No thanks." The totals were 22 percent for the bill and 78 percent against it.

The voters in Fremont rejected a measure requiring local residents and businesses to pay a special tax for day care for all children, which is also the essence and the centerpiece of the ABC bill. The initiative would have provided portable classrooms, training for child care workers, and child care vouchers for poor families. Sound familiar? It sounds just like the ABC bill to me, and I think to many of the voters.

Mr. President, some of the liberals have been promoting ABC legislation in this body where all the taxpayers would pay money for day care. The American people do not want ABC. Like President Bush, the American people want child care decisions left to individual families. In the words of Michael Samson, the Fremont vote was "a resounding victory for those family values that have gotten us this far."

The voters in Fremont were not fooled by the rhetoric surrounding ABC. Under the ABC bill, for example, the Federal Government would provide standards for every State and every community, specifying what they would have to do to qualify for day care center license. I believe that the more the American people—not the lobbyists, not the people inside the beltway, but the American people, the voters of Fremont, the taxpayers of any other community in America—the more they take a look at the ABC bill, and all the money we are going to spend, like the vote in Fremont, the result would be about 78 percent against and 22 percent for.

So the more the American people see of this idea the less they will like it. ABC is not the American way, as demonstrated in a resounding way by the voters of Fremont, CA, on Tuesday of this week.

Mr. President, I reserve the remainder of my time.

The PRESIDENT pro tempore. Without objection the remaining time of the Republican leader, under the standing order, is reserved.

The PRESIDENT pro tempore. The junior Senator from Alaska [Mr. MURKOWSKI] is recognized for not to exceed 5 minutes.

Mr. MURKOWSKI. I thank the Chair. I wish my friend a good morning.

OSCAR GUARDERAS, JR.

Mr. MURKOWSKI. Mr. President, on June 1, 1989, a fine young Alaskan and former staff member of mine, Oscar Guarderas, Jr., passed away. My staff and I mourn the loss of a good friend and colleague.

I have known the Guarderas family for many years. Oscar's parents emigrated from Peru almost 30 years ago, and they've been hard working and very successful United States citizens ever since. In each of their children, they instilled a love of their new country and a strong work ethic.

When Oscar Guarderas, Jr., was on my staff, we quickly learned that he was someone you could count on when a difficult or unusual task was at hand. Whenever Oscar was challenged to accomplish the impossible, he always managed to do it with ease and good humor. After a youthful smile and a quick glance at the clipboard he always carried, Oscar would always say, "no problem, I can take care of that for you." And you know, he always did.

Even before he came to Washington, DC, to work on my staff as a special assistant, Oscar was always involved in government and politics. As a student, he encouraged participation in student government and extracurricular activities and often served as a bilingual aide. He also served as a national committeeman for the Alaska Young Republicans and cofounded the Republican National Hispanic Assembly in Alaska. Oscar was recently appointed an Honorary Peruvian Consul for Alaska.

After leaving my staff, Oscar went to work for the National Hispanic Assembly. He later moved to California to open a branch of his family's business and test the political waters.

He was so young, Mr. President. At the age of 29 he leaves behind a loving wife and newborn son, his parents and sisters, and a host of friends around the country.

We have lost a special friend and a future leader; we will miss him.

ELECTIONS IN POLAND

Mr. MURKOWSKI. Mr. President, recently, the ruling Communist Party of Poland conceded defeat in that country's first competitive election in over 40 years.

In an unprecedented move, the Jaruzelski regime admitted—2 days before the official election returns were scheduled to be reported—that the newly legalized trade union Solidarity and the opposition had won the overwhelming majority of the seats contested in the Polish Parliament.

For 40 years, Mr. President, the Polish people have lived under the often brutal and consistently oppressive yoke of Communist dictatorship. For 40 years, the economic and political will of the Polish people has been stifled by oppression at home and Soviet military might abroad.

On Sunday, the lid that has contained the self-determination of the Polish people was briefly lifted, and the message that issued forth was unequivocal: The system that has ruled Poland for over 40 years is rejected as a legitimate political and economic model.

Even under the conditions built into the electoral process that guaranteed the party a majority regardless of the outcome, the Polish people delivered a sound defeat to the party. It is projected that the opposition, led by Solidarity, captured 100 percent of the seats they were allowed to compete for in the Sejm, or parliament.

Early returns also show that the opposition candidates may have taken 98 of the seats in the newly created Polish Senate—the first fully democratically elected legislative body in the history of the Soviet bloc.

What these dramatic results will mean for the future of governance in Poland is difficult to predict. Solidarity leaders had urged that the Polish people exercise restraint in casting their ballots last week. They feared an overwhelming defeat of the Communist Party candidates could disrupt the fragile compromise reached in the roundtable agreement between Solidarity and the party.

Mr. President, it appears that the rulers of Poland have suffered such a defeat. Perhaps it was too much to expect of a weary and frustrated electorate that it not seize completely its first opportunity in over four decades to speak its collective mind.

In the face of this defeat, General Jaruzelski and the party leadership are to be commended for their graceful words of acceptance of the people's will as expressed in these elections. Their pledge to continue on the path of democracy is one that the West will watch closely.

Mr. President, this is not time for those who believe in democracy to gloat. Now is the time for the United States to express its hope that the party and the opposition can work peacefully together toward the restoration of democracy in Poland.

ALASKA'S OILSPILL CLEANUP

Mr. MURKOWSKI. Mr. President, I have just returned from an extensive trip to my State. I have had an opportunity to participate in nine townhall meetings, listening to nearly 450 Alaskans express themselves with regard to the significance of the spill, the frustrations, the indignation, of the inadequacies and the progress that has taken place, and the general concern over the cleanup operation.

Mr. President, it is fair to say that there is a very concentrated cleanup underway in Prince Willian Sound. There is a need to do more. I suggest that since berthing facilities are the criteria which determine the number of personnel that work in the area, instead of working one shift, we work two shifts. Winter is going to be upon us about September 15. At that time mother nature will take over, but we must satisfy ourselves that we are doing all we can. The presence of our Navy in providing berthing facilities, namely places for workers to sleep so they can go out and clean up the beaches, has certain limitations, but one ship is being replaced, the *Juneau,* by the *Cleveland.* I think it is appropriate to request that the *Juneau* return with a new crew that will add another 400-some-odd berths that will enable them to two-shift. There is a great deal of summertime remaining and, if necessary, they can put up portable lights on the beaches. What we want to be able to say at the end of this summer is that we did everything humanly possible.

We have another significant concern which is the oil that has moved outside of Prince William Sound. It has moved in a northerly direction, as predicted by a biologist from the University of Alaska and publicized to a great degree by my senior colleague, Senator STEVENS. It is indeed a reality. NOAA and others suggested the oil would not move in any volume outside of Prince William Sound. It has. The consequences are yet to be known. We are seeing our salmon seasons delayed as we concern ours with ensuring that the quality of the resorces is maintained but nevertheless the outcome of the flow of oil moving into this very productive area has yet to be determined. We know there are going to be substantial claims against Exxon. We know we are going to have to do more, involving the local citizens and communities, to clean up the oil, with a scheme where perhaps they are paid by what they pick up instead of leaving it to contractors. The actual fisherman who can take care of himself on his boat could go out and sop up the mousse and sell it in bags to Exxon or have a provisional barge where it could be directed.

But further, Mr. President, what we need is legislation, and this legislation should have the input of the local people.

But it is not just a problem in my State of Alaska. It is just not a problem the senior Senator from Alaska, Mr. STEVENS, or our Representative, Representative YOUNG, have to contend with. It is a problem facing the entire Nation, as we address the adequacy of our contingency and containment plans in the ports that are major crude oil ports and the realization of whether they have adequate contingency and containment plans and what they can do to improve them.

The legislation should involve participation from the people. This is what occurred in the townhall meetings that we held in Alaska. Previously, we had industry alone operating the port. There was no oversight from those who used the water and who used the land, whether it be for fishing or tourism or other purposes, those people that could remain objective and make a contribution in addressing the adequacy of contingency and containment plans.

What we need are local citizens, those who really have the most to lose if a spill occurs, in a workable oversight process. The feeling is that unknown bureaucrats, oil industry representatives, do not protect the local interests but our next door neighbors will. We can trust our neighbors.

Mr. President, this particular legislation which I will be introducing very shortly is the Marine Oil Terminal Citizens Environmental Oversight Act. It covers the contingency plan. It requires the preparation of local oil spill contingency plans in each area of the United States where a marine terminal is located.

A local contingency plan must be consistent with the national oil and hazardous substance pollution contingency plan. All local plans must be approved by the local Marine Oil Terminal Citizens Environmental Oversight Act Council before it is submitted to the President for his approval. The citizens council establishes a Marine Oil Terminal Citizens Environmental Oversight Council in every area of the United States where a marine oil crude terminal is located.

The council could consist of perhaps 11 members, 6 appointed by the President, and 5 by the Governor of the State. The council members would be resident of the area in general where the terminal is located. In my State we anticipate two councils, one in the Cook Inlet area in general, and one in the Valdez area. Both are areas where we take in crude oil.

The council will be empowered to monitor the operation and maintenance of the terminal. The council will be authorized to hire technical and professional staff, and to contract for environmental council monitoring services in order to carry out its responsibility.

The council will be funded through grants from the oil spill technology research and development fund, through throughput over the port, or a combination of either, or a Federal appropriation.

The research and development fund creates an oil spill technology research development fund in itself. The Administrator of the Environmental Protection Agency will be responsible for administering the fund.

The fund will be used to make grants to the local citizens council for the hiring of staff, contracting for environmental council and monitoring

services, and the fund will be used to make grants to carry out research and development of oil spill prevention, containment, and advanced technology.

The fund will be financed by an assessment, as I have indicated, and a combination of crude oil going over the terminal or an appropriation.

Mr. President, this is not an original idea. This came from an area in Great Britain, the Shetland Islands, where in 1978 they opened a major oil terminal in Great Britain called Sullom Voe. In 1978, 1 month after the opening, they, too, had a disaster. The *Esso Bernicia* slammed into a jetty tearing a 24-foot hole in the side, and within a few hours 1,174 tons of crude oil spilled into the harbor waters, and that was not the least of it. To begin with, the containment effort did not work as it was supposed to. The tug that was to take the barge out had a dead battery, and Murphy's law began to take over. Everything that could possibly go wrong began to go wrong, and they lost another 374 tons.

Finally, when it was over, there were 80 miles of shoreline fouled, 4,000 dead birds and rare sheep, and other mammals were lost as well.

As a consequence, they formed a citizens advisory council similar to what I have outlined to you, Mr. President, and I think from their justification for this local involvement we can learn from our neighbors.

As I have indicated the citizens council in working in partnership with industry works in the Shetland Islands at Sullom Voe. It is a partnership between local residents and industry and the idea was suggested as I have indicated——

The PRESIDENT pro tempore. Again, the time of the Senator from Alaska again has expired.

Mr. MURKOWSKI. I wonder in view of the fact no other of my colleagues are seeking recognition that I might continue on a few more moments.

The PRESIDENT pro tempore. How many additional minutes does the Senator request?

Mr. MURKOWSKI. I would anticipate 3 or 4 minutes.

The PRESIDENT pro tempore. Without objection, the Senator from Alaska [Mr. MURKOWSKI] is recognized for an additional 4 minutes.

Mr. MURKOWSKI. I thank the Chair. I am deeply grateful.

Mr. President, as I have indicated, this is patterned after an existing workable program in Great Britain. It resulted in a partnership developing between the local residents and the industry. This idea was suggested at a town hall meeting in Cordova, AK, by two Cordova fishermen that had actually been over and observed what was going on. I complimented my Alaskans who have sought out innovative applications of legislation that can work perhaps not only in Alaska but throughout the United States by involving local personnel in an advisory capacity from the general areas that are sensitive to what is going on.

In our particular instance of Prince William Sound, our fishermen are out there observing the movement of ice calving off the Columbia Glacier. They have an internally different point of view than those running the terminal, those who are moving the oil out of the Port of Valdez and given the responsibility to have an input on contingency containment and new technology in booms. It is recognized that the technology that was in existence and ready for this spill was 20- to 30-year-old technology. The new technology has been primarily in Europe, and we have seen it in the Soviet Union as well. As a matter of fact, we have brought a Soviet skimming vessel over. It is still on station in Alaska, and it represents technology within the last 2 years.

So we have been very happy to incorporate the suggestions from Alaskans in the series of town hall meetings, the Alaskans I have heard from. We are working with the people at Sullom Voe to refine their concepts. I have had conversations with them by phone. I intend to have some of my staff visit there. We can learn much from others who had the effects of devastating oil spills, and much can and should be done. We can learn from the lessons of Sullom Voe.

I ask unanimous consent that the article entitled "The Lesson of Sullom Voe" be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE LESSON OF SULLOM VOE

When the oil terminal at Sullom Voe opened in November 1978 it was hailed as Europe's largest and most modern oil port.

One month to the day after the port of Sullom Voe opened disaster struck. While attempting to berth, the tanker *Esso Bernicia* slammed into a jetty, tearing a 24 foot hole in its side. Within minutes more than 1,174 tons of fuel oil spilled into the harbor's waters. This was well within the 2,000 tons that the oil spill contingency plan had anticipated, and that the port was supposedly capable of handling. However, from the start it was apparent that the plan had not anticipate a number of problems. To begin with, the first boom, designed to trap a spill in the harbor area was not deployed for 12 hours, allowing 374 tons of oil to escape. One reason for this delay was that the boat in charge of deploying the boom would not start because its battery had been allowed to run down. In addition, a second boom had to be brought from a nearby facility and was not deployed until 48 hours had elapsed. On the fifth day of the spill both booms failed allowing another 600 tons of oil out of the harbor. The result of this spill was catastrophic for these small islands, more than 79 miles of shoreline were fouled by oil, nearly 4,000 birds were killed, along with a number of rare sheep and other mammals in and near the port.

In light of this disaster and the subsequent failure of the contingency plan the responsibilities of the Sullom Oil Terminal Environmental Advisory Group (SOTEAG) were expanded to give citiziens a direct advisory role in contingency planning. In addition, the membership group was broadened to include local leaders and experts from universities and environmental groups.

In response to the spill SOTEAG implemented a series of changes in the terminal's operations and its oil spill contingency plan. First, each ship coming into the harbor must be guided by a licensed local harbor pilot. Radar surveillance is maintained of all ships entering or departing port, and aerial surveillance of traffic verifies location, movement and assures that no directly ballast is discharged. In case of emergency, tugs with directional jet propulsion are available to berth tankers. Each jetty is now equipped with a doppler radar which informs the ship's master of the speed at which his is closing on the jetty. In the event of a spill there is a trained oil clean up crew on hand at all times. Instead of one boom there are now three on hand, and these booms have been tested to insure that they maintain containment even in adverse weather. Finally, the Port Master has the authority to close, and will close, the port due to poor weather, or refuse berth to a tanker with a history of accidents or pollution.

Senator Murkowski believes that the United States can take a lesson from the experience of Sullom Voe and implement similar citizen advisory groups for each major oil port. These groups would function much like SOTEAG, approving contingency plans, monitoring the operation and maintenance of terminals, and making recommendations for improvement and change in operation and environmental control techniques. The key to Sullom Voe's effectiveness is that the terminal is basically managed as a partnership between the local citizens and the oil industry, in compliance with the law. This insures that locals have direct participation over protection of their fishing industries, environment and way of life.

To establish these councils and to fund their work the Senator is also proposing the creation of an Oil Spill Prevention Fund which would be financed by an assessment on all crude oil and petroleum products moved through marine terminals or adjacent navigable waters of the U.S.

Mr. MURKOWSKI. Finally, Mr. President, I will be introducing this legislation shortly. I am sending out a Dear Colleague letter at this time encouraging cosponsors.

I firmly believe people most affected by adverse environmental consequences of operating an oil terminal must have a direct voice in ensuring the safety of the environment.

I know my colleagues share my concern. We have had interests from Santa Barbara and other areas as we look to ways to reduce the risk, and as we all know we will never be able to eliminate the risk of moving oil by vessel. About 55 percent of the oil moving in the United States moves by vessel.

Substantially by involving partnership between interested private citi-

zens we can perhaps do a much better job.

Mr. President, I ask unanimous consent also that my Dear Colleague letter be printed in the RECORD as well.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 8, 1989.

DEAR COLLEAGUE: Prior to the July recess, I intend to introduce the Marine Oil Terminal Citizens' Environmental Oversight Council Act.

I have just returned from a ten-day trip to Alaska where I visited the communities that have been adversely affected by the *Exxon Valdez* oil spill. I held town meetings with the citizens of these communities to discuss the status of the cleanup operation and what legislation is needed to ensure that this tragedy does not repeat itself. One recurrent theme throughout these meetings was that under the existing regulatory structure the people charged with monitoring the operation of the Valdez terminal had grown complacent and did not diligently exercise their oversight responsibilities.

One means of combating this complacency is to involve the citizens that reside in the area around an oil terminal, the people having the most to lose if an oil spill does occur, in the process of preparing, adopting, and revising oil spill contingency plans.

My bill sets up a mechanism for the long-term partnership of industry and local communities to oversee compliance with environmental concerns in the operation of oil terminals.

My bill has three main provisions. First, it requires every marine oil terminal located on or adjacent to the navigable waters of the United States to prepare a local oil spill contingency plan and a terminal operation plan. These plans are required to meet certain minimum federal standards and must be approved by both the Citizens' Environmental Oversight Council and the President. No terminal may operate unless both plans have been approved and are in effect.

Second, my bill establishes a Citizens' Environmental Oversight Council for every area in which a marine oil terminal is located. Each Council would have eleven members, and these members would be residents of the area in which the terminal is located. The President would appoint six members and the Governor of the State in which the terminal is located would appoint five members.

The purpose of the Citizens' Council is to provide environmental oversight of the operation and maintenance of the marine oil terminal. Its most important function will be to approve the local oil spill contingency plan and terminal operation plan before these plans are submitted to the President for his approval. The Council would also have authority to withdraw its approval of either plan in the event of flagrant violations of the provisions of the plans. In addition, the Council will serve as an environmental advisory board to the owners of the oil terminal and the government agencies charged with regulating the terminal. In that capacity, the Council is authorized to contract for environmental consulting and monitoring services.

Finally, this legislation establishes an Oil Spill Technology Research and Development Fund. Proceeds from the Fund will be used to make grants for carrying out research and development in connection with oil spill prevention, containment, and restoration technologies and practices. Moneys from the Fund will also be used to enable the citizens' Councils to carry out their functions by hiring professional and technical staff and contracting for environmental consulting and monitoring services. The Fund is financed by an assessment on every barrel of crude oil or petroleum product moved through a marine oil terminal.

The idea behind this legislation is not original. It is patterned after a successful Citizens' Environmental Oversight Council in the Shetland Islands—at the Sullom Voe Terminal. I have enclosed for your review a brief summary of the Sullom Voe operation. I believe that much can, and should, be learned from their experience.

I invite you to cosponsor and support this legislation. If you have any questions or wish to be added as a cosponsor, please have your staff contact Tom Roberts or Blair Thomas at 4-6665.

Sincerely,

FRANK H. MURKOWSKI,
U.S. Senator.

Mr. MURKOWSKI. Again, my thanks to the President pro tempore for accommodating my additional time requests. I wish him a good day.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The junior Senator from Connecticut [Mr. LIEBERMAN] is recognized for not to exceed 5 minutes.

Mr. LIEBERMAN. Thank you, Mr. President.

THE DRAMATIC QUEST FOR DEMOCRACY

Mr. LIEBERMAN. Mr. President, one of my legislative assistants worked as a teacher of English in Shanghai last year, and she has continued to maintain contact with several of her former classmates and students.

One of those students, Jennifer Yang of FuDan University, wrote to her late last month, as the dramatic quest for democracy unfolded throughout China. I would like to take just a few moments to read what she had to say, because she speaks so simply, yet forcefully, of her desire for freedom. These are the words of Jennifer Yang of FuDan University.

In China, everybody knows that one is endowed by law the freedom of speech and press. But we know we actually don't have these rights. On the contrary, the ruling class, especially some old people in the government, can do everything they want even though they are forbidden by law. They control the army in the name of the Communist Party.

And I continue to quote from this letter:

More than two hundred years ago in the United States, Thomas Jefferson wrote in the Declaration of Independence that all men are created equal . . . Two hundred years later in China, people marched through the streets to demonstrate, fighting for the rights which are endowed by law and which exist only in name. We want back the powers the government exercises without our consent.

Mr. President, today the news from China is grim. It seems that the "ruling class" of which Jennifer Yang spoke is consolidating power, keeping the people under the thumb of an oppressive army. With brute force, they may succeed—temporarily—in quelling the student protests. They may restore—temporarily—a perverse sense of "order" in society. If they do, I am sure they will seek to normalize their relations with the rest of the world.

We must not let that happen.

We cannot accept the innocent slaughter of civilians. Our response to the oppression in China should escalate, even as the voices of the people are stilled. As they are silenced, we should speak up. We should discuss with other countries ways in which to apply economic pressure in order to make clear that continued widespread repression will have an impact on China's economic relations with the outside world.

Eventually, the people will rise again. I was particularly struck by the sight of that young man who stopped a whole line of tanks with a single gaze. Fifty-one years ago, Mao Tse-tung said, "Political power grows out of the barrel of a gun." That young man in Beijing proved that the truly powerful can stare into the barrel of a gun. One man with an ideal is stronger than a hundred men with tanks.

Tomorrow, in my home State of Connecticut, Chinese students and their supporters will gather in front of the Old State House in Hartford. That historic building is on the site of Thomas Hooker's meetinghouse, where basic concepts of American democracy were first enunciated, and it is fitting that it serves as the site for a dramatic new demonstration for democracy in China.

I cannot join them, unfortunately, for personal reasons but my prayers will be with them. I share their outrage and their determination to keep the flames of freedom bright until the day when the "goddess of liberty" is reerected in Tiananmen Square, as a memorial to those who died there and as a symbol of that country's ascendency to the ideal of liberty and justice for all.

Mr. President, I thank you and yield back the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE RETIREMENT OF MAJ. GEN. JAMES A. GRIMSLEY, JR., AS PRESIDENT OF THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, on June 30, 1989, Maj. Gen. James A. Grimsley, Jr., will retire as the 16th president of one of our Nation's finest military colleges, The Citadel, in Charleston, SC. His retirement marks the end of another chapter in the life of a man who has served his country as both soldier and a civilian with pride and integrity. It is my honor to pay tribute to him at this time.

James A. Grimsley, Jr., was born in November 14, 1921, in Florence, SC. In 1942, he received his bachelor of science degree in business administration from The Citadel. Immediately following graduation, he was commissioned as a second lieutenant in the infantry, U.S. Army.

A dedicated and patriotic soldier, he served as a rifle company commander in the 77th Infantry Division in the Asiatic-Pacific theater during World War II and was wounded twice during combat. Following World War II, he served in various military capacities in the United States, Europe, and Vietnam, as well as having held several high-level staff assignments in the Pentagon and with NATO.

From 1966 to 1967, General Grimsley once again faced military combat, this time while serving in Vietnam where he was wounded for a third time. He returned to the States and continued to serve our country as a general officer at Fort Hood, TX, with the 2d Armored Division. He later served as the chief of the Joint U.S. Military Advisory Group and in the office of the Secretary of Defense.

After 33 years of military service, General Grimsley retired from active duty on September 1, 1975. During his distinguished military career, he was the recipient of more than 35 major decorations, some of which include: the Distinguished Service Medal; 2 Silver Stars; 4 Legions of Merit; 4 Bronze Star Medals; 6 Air Medals; 3 Purple Hearts, and 2 Combat Infantryman Badges. He was further decorated by the Republic of the Philippines and the Republic of Vietnam.

On October 1, 1975, General Grimsley accepted the position of vice president for administration and finance at The Citadel. On August 25, 1980, he was appointed interim president of the college. Four months later, on December 6, 1980, the former cadet became the 16th president of the military college of South Carolina.

Throughout his tenure as president of The Citadel, General Grimsley has taken the necessary steps to ensure that his alma mater's tradition of excellence continues. In 1985, he established "The Mark W. Clark Campaign for The Citadel Tomorrow" which represents the college's first capital campaign. This endeavor surpassed its $27 million goal almost 2 years ahead of schedule. Under his leadership, The Citadel has strengthened its academic requirements, upgraded its corps of cadets and bolstered its cadet honor system. Each of these accomplishments will serve to enhance the quality of education for future Citadel cadets and will be manifested in the many leaders which The Citadel has consistently produced throughout its long and illustrious history.

General Grimsley has been recognized throughout his exceptional career for his commitment to public service. In 1978, General Grimsley was selected "Man of the Year" by the Association of Citadel Men, and in 1980 he became one of only five living citizens selected as life members of that association. In June 1984, he was the recipient of the Distinguished Public Service Award from the South Carolina Department of the American Legion. In 1987, he became one of only three South Carolinians to receive the Good Citizenship Medal from the national department of the Sons of the American Revolution.

I would like to express my sincere appreciation to General Grimsley and his lovely wife, Jessie, for the many contributions which they have made to our country and to the State of South Carolina. Although their official duties as the president and first lady of The Citadel will soon end, they will long be remembered by the people of South Carolina and the many Citadel graduates throughout the Nation. May they enjoy a productive and fulfilling retirement and may God continue to bless them both as they begin yet another chapter in their life-long history of public service.

WARREN MAGNUSON—A 20TH-CENTURY SENATE GIANT

Mr. KENNEDY. Mr. President, it is a privilege to pay tribute to Warren Magnuson, a dedicated public servant, an esteemed former colleague, and a valued friend whose loss we all mourn.

When I first came to the Senate in 1962, Maggie had already served three terms in this Chamber and 8 years in the House of Representatives. He was a giant in my eyes as a freshman Senator, and he will always be a giant. I had the honor and pleasure of serving with him and working with him for 18 years. Through all those years, we shared a strong commitment to progressive and compassionate government that bound us together as Democrats and as friends.

And what a friend Americans had in Warren Magnuson. His remarkable career in public service spanned half a century. In that time, he became known as Mr. Consumer in Congress, a champion of working men and women, a protector of the average citizen. His accomplishments were legendary. President Kennedy used to say that Maggie was the kind of Senator who walks unnoticed into the Chamber late in the day, quietly offers an amendment, and it turns out to be the Grand Coulee Dam.

One of the issues dearest to Maggie's heart, and to mine, was to seek ways to provide better health care for all Americans. I will always remember with tremendous admiration and gratitude his unparalleled leadership on health issues. All of us in this country have been touched by and benefited from the fruits of the health programs that Maggie nurtured.

He was a gentle giant, a man of quiet perseverance, great wisdom, and good humor. He was, in his own words, a "work horse" rather than a "show horse." He called the complex negotiations of getting a bill passed in Congress "kitchen work," saying "I'll tell you where to look if you want to find a good Senator and a good liberal. Look in the kitchen."

Maggie did not have to write his memories. His deeds and his legislative achievements for the State of Washington and the Nation are the chronicle of our time—a proud record of a man of foresight and vision, a man of courage and commitment, a man of humility and warmth who made a tremendous difference for this and future generations. He was, simply, one of the finest Senators of the 20th century.

In his last days, Maggie told his wife Jermaine that what he did was history, and what he was interested in was today and the future. Maggie was absolutely right, as always. History will honor his lifelong dedication to public service and his effective leadership. Our country is better because of him, and our future is brighter. We who had the great privilege of serving with him will remember him always with great admiration, genuine appreciation, and deep affection.

Many of us recall gathering in this Chamber on December 2, 1980 to say goodbye to Maggie as he left the Senate. After a standing ovation and countless handshakes and embraces, Maggie took off his glasses to wipe his eyes and said, "I bid you a fond adieu." Today, Maggie, friend and colleague, we bid you a fond adieu.

TRIBUTE: WARREN MAGNUSON

Mr. BENTSEN. Mr. President, on his deathbed, in 1910, Mark Twain wrote this:

> Death, the only immortal who treats us all alike, whose pity and whose peace and whose refuge are for all—the soiled and the pure, the rich and the poor, the loved and the unloved.

They are appropriate words for a man who was then 5 years old, on the other side of the continent, whose death—and life—we celebrate today.

Maggie was all of those. Loved? He wasn't loved by his opponents, who called him a "socialist" and a "playboy"—and lost to him every 6 years. But he was loved all over Washington State by those convinced he had brought them everything good including the Grand Coulee Dam.

Soiled? No one who ever knew him could forget that the adjective put next to his name by reporters was not "statesmanlike." It was "rumpled."

Poor? He was born dirt-poor. Rich? This rumpled, cigar-chewing, dandruff-flaked man was rich with the respect of his peers, of whom I am proud to be one.

Knowing Maggie was a privilege. It was never dull. It was also an education—whether in how to run a committee or how to run for election.

And today, all America is in his debt, whether for his accomplishments in the environment, in transportation, in consumer protection, or in health.

In Romans 13:7, we read: "Render therefore to all their dues: tribute to whom tribute is due; fear to whom fear; honor to whom honor."

There were some people who feared Maggie when he walked these chambers. But now it is time to render him tribute and honor. Few Americans have ever deserved it more.

Mr. THURMOND. Mr. President, I was deeply saddened to hear of the death of Senator Warren Grant Magnuson on May 20. Senator Magnuson was a man of fine character who consistently acted with the best interest of the country in his mind and in his heart.

Senator Magnuson was born on April 12, 1905, in Moorhead, MN. Orphaned as a child, he was adopted by William and Emma Magnuson. He attended the University of Washington, earning a bachelor's degree in 1926 and a law degree in 1929.

Senator Magnuson's civic service began upon his graduation from law school, when he became editor of the Seattle Municipal News and, subsequently, secretary of the Seattle Municipal League. He worked in these two positions until his election to the Washington State House of Representatives in 1932.

Two years later, Senator Magnuson was elected as prosecuting attorney of King County, WA. After serving in that capacity for 2 years, he was elected to the U.S. House of Representatives. He was reelected to that seat for three consecutive terms until his election to the U.S. Senate in 1944. He was then reelected to the Senate for five consecutive terms, serving as President pro tempore from 1979 to 1981.

Since 1789, only five individuals have served longer than Senator Magnuson, and his 23-year record tenure as chairman of the Senate Commerce Committee remains unparalled. I was a member of the Commerce Committee during Senator Magnuson's chairmanship, and he was always a fair and just leader. He ran the committee with great skill and expertise, never losing sight of what he felt was best for the country.

Senator Magnuson devoted most of his life to public service, and his devotion to others will be remembered for years to come. I am proud to say that I served in the U.S. Senate with Senator Magnuson for 27 years, and I would like to extend my most sincere condolences to this lovely wife Jermaine, his daughter Juanita Garrison, and to his two grandchildren, Leslie Jermaine Garrison and Donald D. Garrison, Jr.

ELECTIONS IN POLAND

Mr. SPECTER. Mr. President, the past week in world affairs certainly has been both tumultuous and historic. We have seen violence and possible revolution in China, a power vacuum in Iran after Ayatollah Khomeini's death, a bloody stalemate in Afghanistan, and for the first time since World War II, meaningful elections in Poland.

It is this last international development that I wish to emphasize for my colleagues today. While the Polish elections were not completely free, the overwhelming victory of the Solidarity labor union movement nevertheless has created a large, determined opposition in government to the present regime. Solidarity is positioned to have 161 delegates out of 460 in the Polish Lower House, and 85 delegates out of 100 in the Polish Senate.

Solidarity's stunning victory against the Communist establishment is a mandate from the Polish people under the strong leadership of Lech Walea, who are dissatisfied with past rule. It is their clarion call for reform and democracy. Poland is a country that has been denied freedom since 1939, but the people of that nation continue to express their independence despite 50 years of oppression.

These are not the days of Stalin, and hopefully, General Secretary Gorbachev's democratic reforms will succeed. It is still too early to tell. It is my hope that the recent elections in Poland could be the beginning of a new era of Polish freedom.

While the Polish people's dissatisfaction with communism runs deep, we must recognize the Communist Party of Poland for its effort in holding these elections and express our hope that the government continues on the path of political reform. We must continue to demonstrate to the Polish Government the economic and political benefits of a free society.

The election in Poland is a positive first step, but potential problems remain. The overwhelming success of Solidarity is, in the eyes of some Communist leaders, perhaps too threatening. Not only have Solidarity candidates garnered 80 percent of the vote, but Communist candidates who ran unopposed failed to receive even the required 50 percent of the vote to hold office. Let us hope that the strides made toward democracy will not be infringed by certain members within the communist party. Let us make it clear to the Polish Government that we support, wholeheartedly, the democratization of Poland. Let us emphasize that we will strongly condemn any move to stifle the fledgling democracy. The future of relations between the United States and Poland are contingent upon the Polish Government keeping its word to the people of Poland. The future of providing United States economic and technological assistance to Poland also hangs in the balance over this matter.

Mr. President, we should continue to suppport Solidarity in its efforts to safeguard the progress made in this election to ensure continuing reform toward freedom and democracy in Poland. Therefore, I urge my colleagues to join me in voicing support for Solidarity's historic victory this week and in working to help preserve and promote these new sparks of hope and democracy.

JACEK KURON AND MONICA JIMENEZ DE BARROS

Mr. HATCH. Mr. President, I am pleased to call to the attention of my colleagues remarks which President Bush made recently honoring two key democratic leaders from Poland and Chile. The individuals honored were Jacek Kuron and Monica Jimenez de Barros, who were in Washington to receive the National Endowment for Democracy's Democracy Award.

Jacek Kuron is a leading adviser to the independent Polish trade union Solidarity and one of Poland's most respected political activists. He is recognized within the Polish democratic movement as the individual most responsible for developing the strategy of building a civil society, which was adopted and embodied by Solidarity. He has been a leading advocate of a new opening toward democratic pluralism that was reflected in last month's historic agreement between Solidarity and the Polish Government.

Monica Jimenez de Barros is the founder of the Crusade for Citizen Participation in Chile [CIVITAS], which led the massive efforts to register voters for the historic plebiscite of October 5, 1988. Her devotion to nonviolent political participation and democratic values helped preserve social peace and advance democracy at a decisive moment in her country's history.

Mr. Kuron and Mrs. Jimenez participated in the National Endowment for Democracy's May 1 and 2 conference on "The Democratic Revolution," which culminated in the award presentation. I am pleased that a number of my colleagues were also able to participate in the conference, including Senators BENTSEN, KASSEBAUM, KENNEDY, LUGAR, and MCCAIN.

The conference was a spectacular gathering of democratic activists and intellectuals from throughout the world, including Milovan Djilas of Yugoslavia, Prime Minister Eugenia Charles of Dominica, Nthato Motlana of South Africa, French philosopher Jean-Francois Revel, former Nigerian head of state Olusegun Obasanjo, Polish philosopher Leszek Kolakowski, Violeta Chamorro from La Prensa in Nicaragua, and Panamanian Civic Crusade representative Roberto Brenes, in addition to democrats from Guatemala, Haiti, the Philippines, China, Cuba, Senegal, and elsewhere. The conference clearly showed that there is a vigorous international democratic movement uniting individuals from throughout the world and that it is spearheaded by our own National Endowment for Democracy.

I would like to commend President Bush for meeting with the Endowment's awardees and for his thoughtful words on that occasion, which follow:

REMARKS BY THE PRESIDENT TO POLISH AND CHILEAN HUMAN RIGHTS LEADERS, MAY 3, 1989

The PRESIDENT. Well, it's a great honor to welcome to the White House today two outstanding individuals, truly heroes of democracy.

Jacek Kuron has been a key leader is Solidarity's struggle in Poland. Solidarity has just won an important victory in Poland—not only its own legalization, but a program of other democratic reforms as well. As Poland moves towards more freedoms for all of its people, greater economic opportunity and strength, the world will be watching and applauding. And this is especially true for the United States.

Monica Jimenez de Barros founded and directed the Crusade for Citizen Participation in Chile. She educated and mobilized millions of voters in Chile's plebiscite election last October. Due in part to her efforts, Chile is on a road toward democracy. We do not deceive ourselves that this is an easy road, but we believe Chile is on an irreversible course. And Chileans who seek democracy deserve the support of everybody in the United States, everybody that loves democracy around the world.

Mr. Kuron and Mrs. Jimenez are in Washington this week to receive the Democracy Award from the National Endowment for Democracy. We salute you and we salute the kind of personal courage that you both have shown in the face of great obstacles. You've shown that tenacity and faith and courage in the name of democracy can make a difference for millions of people.

As I said in my Inaugural, the day of the dictator is over. All over the globe freedom is a fact now, more than at any other time in modern history. The National Endowment for Democracy in these awards and in its other good work is giving expression to the oldest and noblest tradition of this country—the devotion to freedom for all humanity. And, thus, it is a special honor today to welcome you two outstanding democracy builders.

Congratulations. Well-done. Keep it up. Congratulations to both of you and thank you for coming to the White House at the end of what I understand has been a very good conference.

PRESIDENT BUSH'S SUPPORT FOR LEGISLATION TO IMPLEMENT THE NORTH AMERICAN WATERFOWL MANAGEMENT PLAN

Mr. MITCHELL. Mr. President, earlier today at a symposium on declining waterfowl populations, President Bush announced that he wanted to sign legislation into law this year to fund wetland conservation projects under the North American waterfowl management plan.

I welcome the President's support for implementing this 1986 bilateral agreement between the United States and Canada.

Almost 2 months ago, I introduced legislation with strong bipartisan support to conserve North American wetland ecosystems and waterfowl and the other fish and wildlife that depend on these habitats.

One of the principal goals of that legislation is to begin a long-term commitment to work with Canada and Mexico in implementation of the North American waterfowl management plan.

The plan is the best, and maybe the last, opportunity we will ever have to halt the decline of many species of ducks, geese, and other migratory birds.

But the plan is only a statement of needs and objectives.

The North American Wetlands Conservation Act, which I have proposed, establishes a structure to meet these needs and objectives. And it provides the Federal matching funds from interest on the Pittman-Robertson Fund that is essential to encouraging public and private partnerships for wetlands conservation projects in Canada and Mexico, as well as in the United States.

There is broad support by Members of both parties in the House and Senate for such legislation.

The 1988 National Republican Party platform, in fact, stated that "we support efforts, including innovative public-private partnerships, to restore declining waterfowl populations."

The President, himself, has called for a policy establishing no net loss of wetlands as a national goal.

Consequently, I was deeply disappointed that the Secretary of the Interior declined to testify on this subject last week before the Subcommittee on Environmental Protection. The administration was not prepared at that time to endorse the North American Wetlands Conservation Act or any other proposal to actually carry out the North American waterfowl management plan.

I called on the President then to personally review his administration's position on the bipartisan legislation proposed by Congress to protect North American wetlands and waterfowl.

I called on him to express his full support for these proposals, or to come forth with his own plan to fund and implement wetlands and migratory bird conservation projects on a continent-wide basis.

I am pleased that the President has now done that. I look forward to working with him and his administration in enacting legislation this year to protect North America's wetlands and the waterfowl and other fish and wildlife that these areas support.

The wetlands of this continent, like the forests of Central America and tropical South America, are libraries of nature which contain volumes of priceless genetic information. They are North America's most biologically productive areas, and roughly a third of the continent's endangered species of animals are dependent on them.

And like the tropical forests, we have subjected our wetlands to much destruction.

From the 1950's to the 1970's, Americans drained, filled, and cleared 9 million acres of wetlands in the 48 contiguous States. Less than half of the original 200 million acres remain, and the destruction continues today at a rate of half a million acres per year—an area 12 times the size of the District of Columbia.

Total wetlands loss in the Canadian prairie provinces of Alberta, Saskatchewan, and Manitoba is estimated to be 40 percent of the original wetlands acreage.

The State of Maine has lost approximately 100,000 acres of wetlands since European settlement began.

The destruction of wetlands in North America, where many migratory bird species breed, spells disaster for these species just as surely as the destruction of forests in Central and tropical South America, where they winter.

The average number of North American ducks in recent years has been lower than any comparable period on record.

There have been fewer black ducks, a species prized by people in Maine and elsewhere in the Eastern United States and Canada, than at any time during the previous three decades.

Of the 30 species of migratory nongame birds that are currently of management concern to the U.S. Fish and Wildlife Service because of their uncertain status, nearly one-half are dependent upon coastal and freshwater wetlands.

The Supreme Court reminded us in 1983 that "the protection of migratory birds has long been recognized as a national interest of very nearly the first magnitude."

Our efforts to care for this resource should better reflect the magnitude of that interest.

CONGRESSMAN EUGENE J. KEOGH

Mr. MOYNIHAN. Mr. President, it is with sadness, yet with profound respect, that I rise to pay tribute to a national leader, Eugene Keogh, who recently passed away. Congressman Keogh was a great New Yorker and an effective legislator, beloved by the people he represented and respected by those with whom he served.

Congressman Eugene attended public schools in his native Brooklyn and was graduated from the School of Commerce of New York University. He remained in New York and received his law degree from Fordham University in 1930. While a law student, he taught in the city's public schools and also was a clerk for the New York City Board of Transportation.

Eugene practiced law in New York City and in 1935 became a member of the New York State Assembly. What followed were 15 consecutive terms in the House of Representatives in which he worked to secure Medicare legislation for the elderly. Moreover, Congressman Keogh was the principal sponsor of a pension-plan revision which still bears his name. This ingenious plan, established in 1962, allows people who are self-employed to invest part of their income in a fund which would be exempt from Federal taxes until the money could be used for retirement. In this way, freelance or independently employed workers could receive benefits similar to those afforded by corporate pension plans. And some 800,000 self-employed individuals have done so. The Keogh plan has endured, as has respect and affection for this Brooklyn leader.

Mr. President, Eugene Keogh was a leader in the Democratic Party. He remains an important figure in the history of the U.S. House of Representatives and that of New York State.

As we mourn his passing, we also cannot help but pay tribute to his impressive and important life and career.

HONORING WARREN MAGNUSON

Mr. BURDICK. Mr. President, Warren Magnuson was a great Senator for the State of Washington, but he was also one of my area's pride and joys. Born in Moorhead, MN, which is right across the river from my hometown of Fargo, ND, Magnuson went to public schools in Moorhead before attending the University of North Dakota and North Dakota State College. He then moved West to Seattle where he went to law school and made his mark in the world of politics.

I first met Maggie when I came to Washington, and he and I often shared stories of life in the Red River Valley and boyhood tales. He would talk of a local banker who befriended him and got him started down his educational path. He later served as a member of the board of directors of Dakota Bank in Fargo.

I think it's safe to say that Maggie's experiences in Fargo-Moorhead shaped his future as a public servant. Probably because of our roots in the heartland, Warren Magnuson and I had similar philosophies. We both put a high priority on agriculture, transportation and the needs of our States.

Maggie was a great help to me on many occasions, particularly my 1970 campaign. It might seem odd, but we often flew from Washington on the same flight, Northwest Flight 85, which went from Washington to Minneapolis to Fargo to Seattle.

Warren Magnuson's many accomplishments mark him as a giant in this body's history. He will be remembered for his long service in Congress, from 1937 to 1981, and his tenure as chairman of the Senate Commerce Committee from 1955 to 1978. I especially enjoyed the opportunity to work with him in the Appropriations Committee, where he was a powerhouse. He truly served the State of Washington well.

Warren Magnuson was a tremendous man, a good Democrat, and a great friend. I will miss him.

THE PASSING OF A CITIZEN'S SENATOR

Mr. BYRD. Mr. President, I join many of our colleagues in paying tribute today to the memory of Senator Warren G. Magnuson, who passed away last month.

Senator Magnuson first entered Congress in 1937 as the Representative from the First District of his adopted State, Washington.

From that time forward, with the exception of the leave that he took to serve in the Pacific as a U.S. Navy officer in World War II, Warren Magnuson lived and worked tirelessly on Capitol Hill on behalf of Washington State and our country.

Elected to the U.S. Senate in 1944, Senator Magnuson was a Member of the Senate until his retirement on January 2, 1981, as the senior Senator from Washington State and as President pro tempore of this body. In all, Senator Magnuson served in the Senate 36 years—a record exceeded by only six other individuals since 1789.

Of those nearly four decades, Senator Magnuson was the chairman of the Senate Commerce Committee for 23 consecutive years—a record, and one that may remain unmatched long into the future.

In addition, Senator Magnuson was chairman of the Senate Appropriations Committee from 1978 until 1981.

Born in 1905 in Minnesota and orphaned at the age of 3 weeks, Warren Magnuson grew up and spent his early and adolescent school years in North Dakota. He made his way to Washington State, however, where he completed college and earned his law degree at the University of Washington. From then onward, Warren Magnuson was one of his adopted State's most loyal sons and obedient public servants.

Admirers have written that Gen. George Patton was a "soldier's general"—one who saw battle from the soldier's standpoint and thought as a soldier might think.

Warren Magnuson might likewise be called a "citizen's Senator"—one who kept in mind all of the people who had elected him and whose interests he was here to enhance and protect.

Among those issues with which Senator Magnuson's name is associated are some of the earliest initiatives for consumer protection, product safety, automobile and bus safety, no-fault insurance, environmental quality, clean water, health care, and AMTRAK. Senator Magnuson indeed left a legislative mark on American life.

Mr. President, I count as a privilege my years of service in the Senate with Senator Magnuson, and the association that we shared in leadership roles in both the Senate and our party. I know that our colleagues join me in extending condolences to Mrs. Magnuson and their daughter and grandchildren on the loss of a beloved husband, father, and grandfather; and to the people of Washington State on the loss of such a State leader and patriot.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, today marks the 1,545th day of captivity of Terry Anderson in Beirut.

I ask unanimous consent that the attached article from the February 28, 1989, New York Times discussing debate over the Reagan administration's hostage policy be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 28, 1989]

ABDUCTION RENEWS HOSTAGE POLICY DEBATE IN U.S.

(By Julie Johnson)

WASHINGTON, FEBRUARY 27.—The abduction of yet another American in Lebanon has renewed debate in foreign policy circles about President Reagan's handling of hostage situations and the effectiveness of his "no deals" approach.

The kidnapping of Marine Lieut. Col. William R. Higgins illustrates the battle Mr. Reagan seems to be inextricably locked into with adversaries that are themselves sometimes splintered, mysterious and barely identifiable.

Conceding in his news conference on Wednesday that the hostage situation has been "very frustrating," Mr. Reagan pledged the administration will "never let up" in trying to gain freedom for all the captives.

THE STATED POLICY

For seven years the Reagan Administration has implored allies to follow its lead in making no concessions to terrorist agents or groups holding official or private citizens hostage. Accordingly, the Government's stated policy is that "it will not pay ransom, release prisoners, change its policies or agree to other acts that might encourage additional terrorism."

"That has been a fairly consistent policy of the United States since it was announced in 1973," said Brian M. Jenkins, chairman of political science and director of research on political violence at the RAND Corporation, a California-based research organization. "The Iranian arms deal was a clear departure from U.S. policy" that may have seriously eroded "whatever credibility that policy may have had," he said.

Under the failed plan, weapons were secretly sold to those reputed to be moderates in the Government of the Ayatollah Ruhollah Khomeini to gain the release of kidnapped Americans. Proceeds from the arms sale, in turn, were to be funneled to Nicaraguan rebels.

After months of confusing statements, speeches that approximated a Presidential apology and three investigations, one of which is still underway, the initiative ultimately gained the release of two Americans. It also served to weaken the Presidency, bewilder allies and undermine the confidence of moderate Arab states.

TRYING "TO HEAL A POLICY"

"I don't know how long it takes to restore credibility, to heal a policy," said Mr. Jenkins.

White House and State Department officials, in public statements and recent interviews, were candid in their admission of a credibility problem with regard to the Iran-contra affair.

"It was not helpful," said Marlin Fitzwater, the White House spokesman. "But since then, we have re-established that policy, reaffirmed its correctness in our eyes, and have worked mightily to restore it and restore our confidence in it."

L. Paul Bremer, the United States Ambassador at large for counter-terrorism, said Administration officials "believe we're beginning to get our credibility back."

"In fact, I think the experience of the Administration in the last 15 months since the Iran-contra thing has been to underscore very clearly the principle of the no concessions policy," Mr. Bremer said in an interview.

SWIFT AND EFFECTIVE RETRIBUTION

The United States has not experienced a mass hostage trauma like that which preoccupied Jimmy Carter from 1979 to 1981 when 52 Americans were held inside the United States Embassy in Teheran.

Nevertheless, according to policy experts in and outside the Administration, much has happened since Ronald Reagan swept into office in 1981 vowing "swift and effective retribution" against international terrorism. These are acts that the State Department defines as "premeditated, politically motivated violence perpetrated against non-combatant targets," usually intended to influence an audience.

Among the thousands of examples of international terrorism worldwide, these events have directly affected the Reagan Administration:

The death in October 1983 of 241 American servicemen, after a truck bomb driven by an Islamic Shiite militant crashed into a United States Marine compound in Beirut.

The commandeering of an Italian cruise ship, the Achille Lauro, by four Palestinians and the murder of a wheelchair-bound, 69-year-old passenger from New York, Leon Klinghoffer. The terrorists were apprehended when United States Navy F-14 jets intercepted an Egyptian airliner that was carrying the hijackers to Italy.

The brutal murder of Robert Dean Stethem, a Navy seaman who was shot to death after a hijacking and seizure of Trans World Airlines Flight 847 in June 1985 by members of an Islamic fringe group.

The kidnapping of 12 Americans in Lebanon. Among those abducted in Beirut was the Central Intelligence Agency's station chief, William Buckley, who is believed to have been tortured to death. Nine Americans remain captive somewhere in Lebanon.

TERRORISM ON DECLINE

According to State Department statistics the number of terrorist incidents, which reached a peak in 1985, are on the decline in some areas, notably in Western Europe.

In 1985, the State Department reported 785 attacks of political violence and terrorism worldwide. That figure dropped by about 7 percent to 774 incidents in 1986. In 1987, the number of incidents reported was 832, an increase of nearly 6 percent due primarily to an "extraordinary increase in terrorist bombings in Pakistan" which have been linked to the Afghan secret police.

Furthermore, terrorist episodes in Europe have declined by 31 percent over a two-year period, and the number of Americans killed in terrorist incidents have dropped to 7 in 1987 from the 38 who were slain in 1985. Air piracy was reduced to one hijacking last year, the lowest number recorded since the Administration began keeping track of them in 1968. By comparison, airline hijackings hovered around 15 to 18 a year and in 1970, the Popular Front for the Liberation of Palestine hijacked three airplanes in one day.

And, as a result of international cooperation and intelligence sharing over the past three years the State Department estimates that more than 200 terrorist attacks may have been averted.

These improvements, according to senior Administration officials, are in large measure a result of the April 1986 American air strike on Libya, in retaliation for what the Administration charged was Tripoli's role in the bombing of a Berlin discotheque that was frequented by United States service personnel.

"The American bombing raid on Libya opened a new chapter in the international fight against terrorism" said Secretary of State George P. Shultz in a recent speech on the current state of U.S. efforts to combat terrorism. "It brought home to Qadaffi and other terrorists that the United States was not going to take it anymore. We would use military action against terrorism if necessary," he said, referring to the Libyan leader Col. Muammar el Qadaffi in an address delivered two weeks ago before the Anti-Defamation League of B'nai B'rith.

At the same time, over the past four years, the United States has spent more than $1 billion to improve security and provide better defense for American diplomatic facilities at home and abroad.

Walter Laqueur, the terrorism expert who published a pioneering book on the subject in 1977, said "one shouldn't be too hard" in assessing the Reagan Administration's record on terrorism because "each case is different."

HARVARD ATHLETE MAKES IVY LEAGUE HISTORY

Mr. KENNEDY. Mr. President, Charlotte Joslin, a Harvard junior from Dedham, MA, recently became the first woman in Ivy League history to earn first team all-league honors in three different sports—lacrosse, ice hockey, and field hockey.

This spring, Ms. Joslin led the Harvard lacrosse team to an undefeated season in the Ivy League and to the NCAA championship final last month. Two weeks ago she was selected as an NCAA Division I First Team All-American.

This winter, she will cocaptain Harvard's ice hockey team. Last year, despite playing defense, she scored nine goals and nine assists and was named Ivy League Player of the Year. She also led the field hockey team with nine goals and four assists and will cocaptain the team next season.

I might also add that Ms. Joslin's athletic success runs in the family. Her father, James Joslin, graduated a year after I did from Harvard in the 1950's, and we were teammates on the Harvard football team for 2 years.

I commend Charlotte Joslin for her truly outstanding athletic achievements, and I ask unanimous consent that a recent article from the New York Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 18, 1989]

A WOMAN FOR ALL SEASONS: JOSLIN, HARVARD JUNIOR, THRIVES IN THREE SPORTS

(By Malcolm Moran)

CAMBRIDGE, MA.—Last weekend, near the end of her third lacrosse season at Harvard University, which was preceded by her third ice hockey season, which was preceded by her third field hockey season, Charlotte Joslin discovered a means of extending her responsibilities.

As if she had not already done enough as the first woman in the history of the Ivy League to earn first-team all-league honors in three unrelated sports, she became a scout. Joslin and her teammates and roommates in Kirkland House, Maggie Vaughan and Katie McAnaney, decided to travel to Princeton, N.J., to watch the national quarterfinal game between Princeton and Virginia last Saturday.

They went because the winner would advance to a semifinal game this Saturday against the second-ranked Crimson. At the point in the academic year that pushes the organizational skills of students to their limits, Joslin considered her options.

BATTLING MISPERCEPTIONS

"It was sort of the devil in one ear and the angel in the other," she remembered. Two days before a final examination in "American Intellectual History," Joslin decided to make a fast trip to study the opposition.

Her trip is a reflection of a commitment that has helped produce a remarkable career. As the possibilities for multi-sport athletes have been reduced by the demands created by athletic scholarships in men's and women's programs, Joslin has made a rare achievement. But the problem with excelling in three sports is dealing with the perceptions created by the notion of The Three-Sport Athlete.

As an eighth grader and the captain of a boy's ice hockey team, Joslin was upset by a headline on a newspaper article that described hockey as being her only goal. The dangerous perception was that the required effort came at the expense of an interest in everything else.

"That's all the more reason why going down to Princeton is something that's not Charlotte," said Carole Kleinfelder, her coach. "But deep down inside, it is. She's a competitor, but she doesn't want to be viewed as the rah-rah jock."

TRYING TO CONVEY SERIOUSNESS

"I am extremely sensitive to it," Joslin said. "It's nice to play three sports at Harvard. I think that makes a big difference. But even within that, within the Harvard community, there have been occasional problems. Not major problems, but there have been times when I want to avoid, at all costs, telling my professor that I have to skip a class because I have to go to a game or a practice. So there have been times when I've said, 'I have a meeting. . . .'

"I have to bend over backward to make sure that people either don't know that I'm a three-sport athlete, or if they know, that they know I'm making a serious effort."

As her careers have progressed, she has had a more difficult time keeping her achievements a secret. She led the field hockey team with 9 goals and 13 points last fall as a midfielder. Although she was used in a defensive position for the ice hockey team, Joslin scored 9 goals and had 18 points in 24 games and was named the Ivy League player of the year. She has scored 24 goals for the lacrosse team, which will face Princeton this Saturday at West Chester, Pa.

She has endured the stories that have traced the development of Charlotte at age 4, providing shooting practice for her older brother Scott while earning a penny a shot. "I made a lot," she said. "I was getting 25 cents' allowance a week. I was grossing the same."

A TWO-PART CREDO

The perception of the three-sport athlete usually does not allow for the history major who always seems to manage to get through the day far better than she had feared, or an interest in photography that has been put on hold, or the plan to learn one or more languages, or the upcoming excursion to the Soviet Union with student leaders from other colleges and universities.

Her involvement in her games is based on these realities: these opportunities are available today; she can do other things tomorrow.

Joslin understands that these possibilities have not been available for women for very long. And at some places, where progress has taken place in the form of athletic scholarships for women, the price of that progress has come in the form of restrictions.

"It happens in women's athletics at a scholarship school where a field hockey player there wants to play her other sport," Joslin said. "I'm sure they restrict it. At a place like Harvard, even for men, that shouldn't be an issue. The only thing I can see as a restriction is the fact that there may be contact sports, and that is definitely a little more arduous. But other than that, I don't see where it should be any different for men and women."

COACH WAS SUPPORTIVE

The paradox that has developed as women's programs have been strengthened is that the opportunity to experiment has been diminished by the opportunity to gain financial help.

"Freshmen coming in think it might be an issue," she said. "If their best sport is lacross, as an example, they'll go to the coach and say, 'I'd like to play field hockey, but I really want to make the team. What should I do?' I know that here, my coach said, 'Go ahead and play. It can only be better for us.' But I'm not sure if that's the same mentality at scholarship schools. I would think not."

So the absence of athletic scholarships at Harvard have helped Joslin become able to experiment. Other women have gained first-team all-Ivy recognition in cross-country plus indoor and outdoor track. Joslin was placed on the second all-Ivy field hockey team, but has been first team five times over the last two seasons.

"I think they're all similar, and that's why I do well," she said. "If I was playing a racquet sport and field hockey, it wouldn't fit in as well. I'm in shape from one sport to the next, and a lot of the same things are used. It just tends to build on itself. Going from field hockey to hockey is very easy."

And from ice hockey to lacrosse?

"My back gets a rest," she said. "I get to stand up a bit. The hardest thing is going from skating to a running sport. I just feel like lead."

CYCLIC RELEASE

Kleinfelder, her coach, wondered if there was another appeal. "Maybe after being inside on the ice, you're running, you're free," Kleinfielder said. "The fresh air, the running. It's almost like being released."

The series of releases appears endless. There are three seasons to come in senior year. There is the possibility of rising within the national field hockey program to a spot in the Barcelona Olympics. There are languages to be studied, and images to capture on film, and careers to choose, and the never-ending search for the 36-hour day.

For now there is Princeton, at 4 o'clock on Saturday. The other things will have to wait.

"The way I justify it," Joslin said, "Is I can still do that later."

HUMAN RIGHTS IN YUGOSLAVIA

Mr. PRESSLER. Mr. President, little attention has been paid by the media in recent weeks to the continuing human rights situation in Yugoslavia. It is sad that situations such as this seem to receive attention only when people are dying in the streets. Resolving human rights problems requires the steady glare of media attention. Otherwise these problems are swept under the rug, out of public view, and the suffering continues at a lower level until the next instance of large-scale violence occurs.

Thus, I am pleased to note that former Congressman Joe DioGuardi continues to speak out in public forums on the mistreatment of ethnic Albanians in Yugloslavia.

Mr. President, I ask unanimous consent that a letter to the editor from Mr. DioGuardi, as printed in the New York Times, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 6, 1989]

WORLD MUST KEEP EYE ON YUGOSLAV TENSIONS

To the Editor:

Your description of the Serbian party leader Slobodan Milosevic and your assessment of the political landscape in Yugoslavia in "Bullying in the Balkans" (editorial, April 10) are very much on target.

Yugoslavia is made up of six republics and is populated by many different ethnic minorities. The diversity in cultural backgrounds has historically brought great tension and hostility to the region. President Tito, however, struggled to achieve peaceful coexistence and successfully quelled the ethnic hostilities by respecting freedom of expression for all groups.

Unfortunately, his efforts have been shunned by the politically self-serving, aggressive tactics of Mr. Milosevic. In his campaign to exercise more control over Yugoslavia, Mr. Milosevic has irresponsibly resurrected widespread ethnic hostilities. His political motives have inflamed national sentiments, and his attempts to subjugate the region are a threat to the geopolitical foundation upon which Yugoslavia has been able to exist peacefully.

As the rest of the world is making monumental strides in achieving a kinder, gentler coexistence, it is unconscionable that Mr. Milosevic's actions are tolerated. It is even more unfortunate that the United States has not publicly condemned the atrocious human rights violations directed at the ethnic Albanian community in Yugoslavia and is willing to sit idly by as Mr. Milosevic continues to promote his agenda.

While the riots and bloodshed have subsided, at least for now, the long-term goals of Slobodan Milosevic in Yugoslavia are cause for worldwide concern.

JOSEPH J. DIOGUARDI.

WASHINGTON, *April 18, 1989.*

(The writer, president of the Albanian American Civic League, was a member of the House of Representatives from New York, 1985-88.)

CATASTROPHIC HEALTH INSURANCE COVERAGE ACT OF 1988

Mr. PRESSLER. Mr. President, I supported Senator McCAIN's amendment to the supplemental appropriations bill last night. That amendment was rejected by the Senate. The amendment would have delayed, for 1 year, implementation of the surtax and all benefits except extended hospitalization, skilled nursing home care, and spousal impoverishment under the Medicare Catastrophic Insurance Program. During this year we should have been able to fix the problem permanently, so that our senior citizens would not be penalized during the interim. Unfortunately, that proposal narrowly failed. Instead, the Senate chose to duck the issue by accepting a nonbinding sense-of-the-Senate resolution that only puts off dealing with the problem. In the meantime, our senior citizens are stuck with paying an excessive amount of surtax. This is a disappointing outcome.

I believe that action failed to address the concerns of our senior citizens. A resolution does not equal action. It is nonbinding. More importantly, the resolution does not delay implementation of the surtax. That major concern of senior citizens is at the heart of this debate. Unless something is done with the surtax by December 31, 1989, many senior citizens will pay handsomely for something they oppose.

I believe there is a need to delay the implementation of the surtax until we can examine alternative financing mechanisms and the benefits provided by the Catastrophic Program. My constituents are calling for that action and that is why I supported the McCain amendment. Once again, we have failed to respond to the concerns of senior citizens.

The battle on the surtax and the need for a further examination of a long-term-care program is not over. Everyone is aware that there is a problem. The problem must be resolved and I will continue pressing for action.

Older Americans are a significant proportion of the population and their numbers continue to increase. I believe we must recognize that fact and reach an agreement on a long-term-care program for this country that is fair to everyone. This means listening to our senior citizens and being sensitive to the fact that the needs of the very old today may not be the needs of those reaching retirement age in the future. It is time to investigate a comprehensive long-term-care program that reflects the needs of senior citizens and stops patching up the imperfections in the current system.

I remain committed to working for a solution to the concerns South Dakota senior citizens have brought to my attention. Those include, but are not limited to, the surtax and evaluation of long-term-care benefits. I support the commitment of Senator BENTSEN to hold hearings on the Catastrophic Program and reexamine the surtax. But we cannot wait much longer because decisions on the program are necessary before the surtax takes effect on January 1, 1990.

So I hope we move faster than last night's actions seem to suggest. I will continue my fight to see that we do. Our senior citizens deserve a prompt solution to this mess.

CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Morning business is closed.

NATURAL GAS WELLHEAD DECONTROL ACT

The PRESIDENT pro tempore. Under the order, the hour of 12 o'clock noon having arrived, the Senate will proceed to the consideration of H.R. 1722, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1722) to amend the Natural Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical corrections and conforming amendments to such act.

The Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with amendments as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

H.R. 1722

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Natural Gas Wellhead Decontrol Act of 1989".

SEC. 2. DEREGULATION OF FIRST SALES OF NATURAL GAS.

(a) INTERIM ELIMINATION OF CERTAIN MAXIMUM LAWFUL PRICES.—Section 121 of the Natural Gas Policy Act of 1978 (15 U.S.C. 3331) is amended by adding at the end the following new subsection:

"(f) ADDITIONAL DECONTROL.—The provisions of subtitle A respecting the maximum lawful price for a first sale of natural gas shall cease to apply to natural gas described in paragraphs (1), **[**(2), (3), and (4),**]** *(2), and (3),* as follows:

"(1) EXPIRED, TERMINATED, OR POST-ENACTMENT CONTRACTS.—In the case of natural gas to which no first sale contract applies on the date of enactment of the Natural Gas Wellhead Decontrol Act of 1989, subtitle A shall not apply to any first sale of such natural gas delivered on or after the first day after such date of enactment.

"(2) EXPIRING OR TERMINATING CONTRACTS.—In the case of natural gas to which a first sale contract applies on the date of enactment of the Natural Gas Wellhead Decontrol Act of 1989, but to which such contract ceases to apply after such date of enactment, subtitle A shall not apply to any first sale of such natural gas delivered after such contract ceases to apply.

"(3) CERTAIN RENEGOTIATED CONTRACTS.—In the case of natural gas to which a first sale contract applies on the date of enactment of the Natural Gas Wellhead Decontrol Act of 1989, where the parties have expressly agreed in writing after March 23, 1989, that all or part of the gas sold under such contract shall not be subject to any maximum lawful price under subtitle A after a specified date, subtitle A shall not apply to any first sale of the natural gas subject to such express agreement delivered on or after the date so specified, except that subtitle A shall not cease to apply to any such natural gas pursuant to this paragraph before the date of enactment of the Natural Gas Wellhead Decontrol Act of 1989.

["(4) NEWLY SPUDDED WELLS.—In the case of natural gas produced from a well the surface drilling of which began after March 23, 1989, subtitle A shall not apply to any first sale of such natural gas delivered on or after the first day after the date of enactment of the Natural Gas Wellhead Decontrol Act of 1989.**]**

For purposes of this subsection, a first sale contract applies to natural gas when the seller has a contractual obligation to deliver such natural gas under such contract.".

(b) PERMANENT ELIMINATION OF WELLHEAD PRICE CONTROLS.—Title I of the Natural Gas Policy Act of 1978 (15 U.S.C. 3311-3333) is repealed, effective on January 1, 1993.

SEC. 3. TECHNICAL AND CONFORMING AMENDMENTS.

(a) AMENDMENTS EFFECTIVE UPON ENACTMENT.—The Natural Gas Policy Act of 1978 is amended as follows:

(1) The table of contents in section 1(b) (15 U.S.C. 3301 note) is amended—

(A) in the item relating to section 315, by striking "Contract duration; filing" and inserting in lieu thereof "Filing"; and

(B) by striking the item relating to section 507.

(2) Section 315 (15 U.S.C. 3375) is amended—

(A) in the section heading, by striking "CONTRACT DURATION:"; and

(B) by striking "(a) CONTRACT DURATION.—" and all that follows through "(b) FILING OF CONTRACTS AND ANCILLARY AGREEMENTS.—".

(3) Section 502(d) (15 U.S.C. 3412(d)) is repealed.

(4) Section 504(b) (15 U.S.C. 3414(b)) is amended—

(A) in paragraph (1), by striking "paragraphs (2) and (3)" and inserting in lieu thereof "paragraph (2)";

(B) by striking paragraph (3); and

(C) in paragraph (4), by striking "paragraph (1), (2), or (3)" and inserting in lieu thereof "paragraph (1) or (2)".

(5) Section 506(d) (15 U.S.C. 3416(d)) is repealed.

(6) Section 507 (15 U.S.C. 3417) is repealed.

(7) Section 601 (15 U.S.C. 3431) is amended—

(A) by amending subsection (a)(1)(E) to read as follows:

"(E) CERTAIN ADDITIONAL NATURAL GAS.—For purposes of section 1(b) of the Natural Gas Act, the provisions of the Natural Gas Act and the jurisdiction of the Commission under such Act shall not apply solely by reason of any first sale of natural gas which is committed or dedicated to interstate com-

merce as of the day before the date of the enactment of this Act and which is not subject to a maximum lawful price under subtitle A of title I by reason of section 121(f), effective as of the date such gas ceases to be subject to such maximum lawful price."; and

(B) in subsection (c)(2), by striking "purchase of natural gas" and all that follows through "under section 202)," and inserting in lieu thereof "purchase of natural gas if, under subsection (b) of this section, such amount is deemed to be just and reasonable for purposes of sections 4 and 5 of such Act,".

(b) AMENDMENTS EFFECTIVE ON JANUARY 1, 1993.—Effective on January 1, 1993, the Natural Gas Policy Act of 1978 is amended as follows:

(1) The table of contents in section 1(b) (15 U.S.C. 3301 note) is amended by striking the items relating to title I and section 503.

(2) Section 312(c) (15 U.S.C. 3372(c)) is amended by striking "any natural gas" and all that follows through "(3)" and inserting in lieu thereof "any natural gas".

(3) Section 313 (15 U.S.C. 3373) is amended by inserting ", as such section was in effect on January 1, 1989" after "section 107(c)" both places it appears, and after "section 105(b)(3)(B)" both places it appears.

(4) Section 501(c) (15 U.S.C. 3411(c)) is repealed.

(5) Section 503 (15 U.S.C. 3413) is repealed.

(6) Section 504(a) (15 U.S.C. 3414(a)) is amended by striking "person" and all that follows through "to otherwise" and inserting in lieu thereof "person to".

(7) Section 601 (15 U.S.C. 3431) is amended—

(A) by amending subsection (a)(1)(A) to read as follows:

"(A) APPLICATION TO FIRST SALES.—For purposes of section 1(b) of the Natural Gas Act, the provisions of the Natural Gas Act and the jurisdiction of the Commission under such Act shall not apply to any natural gas solely by reason of any first sale of such natural gas.";

(B) by striking subparagraphs (B) and (E) of subsection (a)(1);

(C) by redesignating subparagraphs (C) and (D) of subsection (a)(1) as subparagraphs (B) and (C), respectively;

(D) in subsection (a)(1)(C) (as redesignated by subparagraph (C) of this paragraph), by striking "subparagraph (A), (B), or (C)" and inserting in lieu thereof "subparagraph (A) or (B)";

(E) by amending subsection (b)(1)(A) to read as follows:

"(A) FIRST SALES.—Except as otherwise provided in this subsection, for purposes of sections 4 and 5 of the Natural Gas Act, any amount paid in any first sale of natural gas shall be deemed to be just and reasonable."; and

(F) in subsection (b)(1)(D), by striking "if such amount does not exceed the applicable maximum lawful price established under title I of this Act".

(8) Section 602(a) (15 U.S.C. 3432(a)) is amended—

(A) by striking "AUTHORITY TO PRESCRIBE LOWER" and inserting in lieu thereof "AUTHORITY TO PRESCRIBE"; and

(B) by striking "which does not exceed the applicable maximum lawful price, if any, under title I of this Act".

Mr. JOHNSTON. Mr. President, I was going to wait for Senator METZENBAUM. I now see him in the Chamber.

Mr. President, the instant bill deregulates what is left of the regulated natural gas. This legislation, Mr. President, passed in the Senate Energy Committee by a vote of 17 to 2. It passed on the House floor by a voice vote. I say that at the outset, Mr. President, because this bill should not be controversial. Indeed, it was not controversial in the House, was very carefully looked at in the House over a period of many, many weeks.

My colleagues know that the Committee on Energy and Commerce in the House of Representatives is one of the most fully staffed committees on the Hill. They have a very big jurisdiction, Mr. President. They have on their staff attorneys, economists, experts of all sorts and stripes. They have been criticized in the past, Mr. President, as being too consumer oriented, antiindustry oriented. They have indeed been criticized by me for that very purpose, Mr. President, because we have dealt with natural gas in the past and it seemed to me they were too regulation oriented.

I state that about the Committee on Energy and Commerce, Mr. President, to emphasize the fact that that committee unanimously endorsed this provision for natural gas deregulation. It passed again on the House floor by a voice vote.

Now, what does this do, Mr. President? It simply deregulates the remainder of natural gas which is still under regulation. My colleagues will recall the tremendous fights we had preceding the 1978 Natural Gas Policy Act. During my first year here in the Senate, 1973, we were in the midst of the natural gas debate, a very hot, heated argument, Mr. President, which consumed this body weeks and weeks at a time with filibusters. Indeed, my dear friend from Ohio, on behalf of consumers, filibustered for some weeks. Many of the precedents in the Senate were made at that time because every rule was stretched and tested and new interpretations were made in the body of precedents which control us to this date.

Well, that was 1973, Mr. President, when I first came here. For that whole Congress, we debated it. Then we really got serious in the year that the Congress started in 1975. In the meantime, we had a big shortage of natural gas. Tens of thousands of industrial jobs were vacant at that time because of a shortage of natural gas in that cold winter of 1975-76. During that time, we enacted an emergency natural gas bill, giving all kinds of extraordinary powers to the administration to assign and allocate natural gas throughout the country.

Well, we still did not deal with the question of natural gas in a full and complete bill. In the Congress that began in 1977, I do not recall the number of that Congress, we really got serious about natural gas. And that culminated, Mr. President, late in the year of 1978, in the Natural Gas Policy Act.

What was the problem that brought on that legislation? It was the fact that natural gas generally across the country had been so controlled at such low prices that there was no incentive for either exploring for natural gas or committing natural gas which was discovered to the interstate market. Consequently, such gas as there was, which was in very short supply at that time, was committed to the intrastate market, controlled by the States—Texas, Louisiana, Oklahoma—those gas-producing States, and the rest of the country was going very short, in fact, the whole country was going very short, because there was no incentive to produce natural gas.

What the 1978 bill did, Mr. President, was to create a whole series of classifications of natural gas and it granted incentive prices. The biggest new category was that which we call section 102, or new gas. We defined new gas, as I recall, as that which was to be produced from a well that was more than 1½ miles from the nearest well. That was a new well. And it was to get, I do not recall the price, but it was a price considerably above what the regulated price had been at that time, and that price was to increase by, I think it was, 2½ or 3 percent a year until January 1, 1985, at which time all of that new gas would be deregulated.

Well, it was a hot debate. It was a tough debate, Mr. President. We were told first that the Natural Gas Policy Act, passed in 1978, would not produce any new gas; that all the incentive we needed was already in place. Second, we were told that prices would escalate to the full amount allowed by the law, and come January 1, 1985, there would be this flyup in the prices of natural gas.

Well, Mr. President, I am happy to report that that which those of us said would happen, who proposed that act and who proposed additional incentives, did in fact happen. We did, in fact, get a tremendous amount of incentive. We produced several trillion cubic feet of natural gas as a result of that legislation. There has not been since that time a shortage. As a matter of fact, there is not a surplus of natural gas. And when January 1, 1985, came, instead of being the predicted flyup in the price of natural gas, the price of natural gas did not go up. As a matter of fact, it has gone down some 36 percent since that time.

Now there remains under control, Mr. President, a small quantity of gas. In percentages, the amount subject to control is 39 percent. The amount that

is classified as "old" gas is 17 percent, but the key figure, which is the amount of gas that is actually being held down by these price controls, is only 6 percent.

That is to say, to put it another way, Mr. President, 6 percent of the gas would be at a higher price now but for controls; a total of 17 percent of the gas, which includes that 6 percent, is so-called old gas, the controlled price of which is higher, for the most part, than the market price, and 39 percent is the total amount of gas subject to any control at all. About 22 percent of that 39 percent, or most of it, is incentive price gas where the price is far beyond that which the market will bear.

The market price of natural gas now, Mr. President, is $1.65 and some regulated prices go as high as $6.83 under the act.

In any event, Mr. President, January 1, 1985, came. Instead of prices going up they have gone down by 36 percent since that time. But we still have this small quantity of gas. Again, Mr. President, I tell my colleagues, remember the figure 6 percent, because that is the amount of gas held down by controls. However, our bill provides that gas shall be decontrolled as of January 1, 1993. In the meantime it will remain under control. In the years between now and the decontrol date, two-thirds of that gas still under control will come out of control, according to the American Gas Association's projections. That means that 2 percent of natural gas now under control would have the restraints lifted by this act. Not only that, Mr. President, but there is a fairly significant quantity of gas whose price is held up by the present scheme of things and the reason for that, Mr. President, is that natural gas contracts are contracts for gas at the highest allowable price under the Natural Gas Policy Act. They make reference to that highest price which means that the highest allowable price which in some cases, as I mentioned a moment ago, is as high as $6.83 per 1,000 cubic feet. And if you contract with reference to that price then it holds the price up artificially.

So, what happens on January 1, 1993, under our bill? At that time approximately 2 percent of the gas, presumably, would go up to some small extent in price and probably an equal or perhaps even a greater quantity of gas would come down in price because the contract price refers to the highest allowable price. Since there would be no allowable or controlled price to reference, that would come down.

Our testimony, Mr. President, was virtually unanimous that there would be no increase in natural gas price by virtue of the passage of this legislation. So the question is: Why pass this legislation? Why is it so important? Well, I have to tell my colleagues, Mr. President, that compared to past natural gas legislation, this legislation is, frankly, not that cosmic in importance. It is important, but it is not of the same species of importance that the 1978 Natural Gas Policy Act was because there is not that much gas involved.

Where is the importance? Well, it is chiefly in the fact that this regulation scheme inhibits the action of the market. Even though your gas might not be held down by the price, under the Natural Gas Policy Act any time you want to enter into a new contract you must first of all go to the FERC and ask for an abandonment.

An abandonment proceeding is a proceeding where you have to go in and make certain showings before the Federal Energy Regulatory Commission. If you get permission to abandon, which should be granted in most of these cases, then, in order to reach a new contract, you must get that permission and then you must file a rate schedule and get that rate schedule approved. And you must do that every time you make a change.

Mr. President, one of the good results of deregulation of natural gas has been that we have to a very large extent gone to market pricing and market action. There is a large spot market and there is pipeline access so that gas can be quickly contracted for at the places where it is needed. It can be transported to those markets quickly. And we have what we hoped for, that is a very fluid market where supply and demand balance and where contracts can be made with great alacrity.

The regulation scheme interferes with that because if you have, as we do, some 39 percent of the natural gas which, while most of that is not being held down in price, it is being held down by the chains of regulatory molasses. In other words, any time you want to make a change and you want to respond to that market and go in and abandon one contract and go to another, instead of being able to go make your deal and move fast, you have to file a petition with the Federal Energy Regulatory Commission and file a rate schedule and all that.

It puts you at great disadvantage. It puts you to great expense. Because lawyers, particularly those who practice before the Federal Energy Regulatory Commission, do not come cheap.

Why do we burden ourselves with this regulation? It is simply a holdover from past regulatory days.

So, Mr. President, this bill will not adversely affect consumers. To the contrary, it will help consumers by bringing some gas down while perhaps 2 percent of it goes up in price. But the market will reflect market pricing and not some artificial pricing and the constraints, the expense which is put on the market by the action of regulations, will be done away with.

Mr. President, again I tell my colleagues that this matter passed unanimously on the House side, that is by a voice vote, after being very carefully-looked at by Congressman PHIL SHARP, who has a strong reputation with consumers. The chairman of that full committee is JOHN DINGELL, who was a strong opponent of deregulation of natural gas over many, many years. And it passed muster with all the other Members of that body, Mr. President, whose zeal for protecting the consumer is very strong.

It passed through the Senate Energy Committee by a vote of 17 to 2.

I submit this bill ought to be passed through the Senate before 1 o'clock this afternoon. Please understand, Mr. President, I do not think it will make it that fast. Nevertheless, it ought to be because, if there is ever a bill which is clear and unambiguous in its effect on consumers and on its help for the country, this is it.

Mr. President, H.R. 1722, the Natural Gas Wellhead Decontrol Act of 1989, is a bill that would complete the wellhead decontrol process that was begun under the Natural Gas Policy Act of 1978 [NGPA] and that would bring to a close 35 years of Federal regulation of natural gas at the wellhead.

H.R. 1722 is truly a consensus bill that deserves prompt passage by the Senate. The plan for wellhead decontrol embodied in this bill enjoys broad-based bipartisan support in the Congress and is supported by the administration and by all segments of the natural gas industry. H.R. 1722 was reported by the Committee on Energy and Natural Resources by a 17-to-2 vote. The House of Representatives has passed a virtually identical wellhead decontrol bill by a voice vote under a suspension of the House rules. Sponsors of the House bill included many who previously had been ardent opponents of wellhead decontrol. Finally, the bill is backed by a remarkable consensus of natural gas industry trade groups. For purposes of this bill, producers, pipelines, local distribution companies, and industrial end users have put their differences behind them and made the compromises necessary to forge a consensus on this issue.

This bill would repeal title I of the NGPA effective January 1, 1993. On that date, all remaining price and nonprice controls on natural gas at the wellhead would be eliminated. This decontrol would affect what remains of flowing old gas under sections 104 and 106 of the NGPA and incentive gas. New gas has already been freed from Federal regulation under the NGPA's partial wellhead decontrol process.

The bill also provides that, in certain circumstances, remaining wellhead price controls would cease to apply earlier than January 1, 1993. First, natural gas under a contract that has expired or been terminated prior to the date of the bill's enactment will be decontrolled as of the date of enactment. Also, any gas covered by a post-enactment contract would not be subject to wellhead decontrols.

Second, natural gas covered by a contract that expires or is terminated subsequent to the date of enactment shall not be subject to wellhead controls as of the date that the contract ceases to apply.

Third, as of the date of enactment, wellhead controls shall not apply to natural gas under a contract renegotiated subsequent to March 23, 1989, where the parties to that contract expressly provide that the gas under the contract shall no longer be subject to price controls.

These transitional provisions are intended to act as a cushion to protect consumers, pipelines and producers from unintended consequences of this final phase of the wellhead decontrol process. The period preceding January 1, 1993, offers an opportunity for parties to reschedule their natural gas supply arrangements to prevent any hardships. Some have expressed concern that upon decontrol, indefinite price escalator and most-favored-nations clauses in contracts for old gas will operate to raise the price for such gas to levels in excess of the market price. The 3-year transition period should do much to alleviate this problem. A study commissioned by the American Gas Association found that one-third of old gas contracts would expire within the first year following enactment, and that by January 1, 1993, almost two-thirds of such contracts would have expired.

H.R. 1722 also removes Federal nonprice controls at the wellhead. This means that the certification, rate filing, and abandonment provisions of the Natural Gas Act will not apply to decontrolled gas solely by reason of a first sale of such gas. The removal of these nonprice controls is important for purposes of allowing market forces to determine the price and allocation of gas supplies at the wellhead.

This bill does not deregulate interstate natural gas pipelines. The Federal Energy Regulatory Commission [FERC] will continue to fulfill its consumer protection mandate under the Natural Gas Act by regulating the interstate transportation and wholesale sale of natural gas by such pipelines.

In the past, wellhead decontrol has been an extremely controversial issue and efforts to complete the partial wellhead decontrol process begun under the NGPA have been unsuccessful. However, as a result of market forces set in motion by the NGPA, developments in the world oil market, and the substantial restructuring of the framework for Federal natural gas regulation by the FERC, natural gas markets have undergone a change in the past decade. These changes make it appropriate at this time to repeal the remaining wellhead controls.

Due to the continuing depletion of old gas reserves and the escalation of NGPA ceiling prices, wellhead price controls no longer protect natural gas consumers. According to the Energy Information Administration [EIA] of the Department of Energy, only 39 percent of domestic natural gas production remained subject to price controls. Of this, only 17 percent of domestic production was old gas, and only 6 percent of domestic production was old gas encumbered by price controls that held prices below the average wellhead price of $1.71 per mcf. Thus, even a substantial portion of the so-called cheap old gas is subject to NGPA ceiling prices well in excess of the market price. This data leads one to the conclusion that it is the market that determines average natural gas prices at the wellhead and that the remaining wellhead price controls do little if anything to dampen the market's impact on the prices ultimately paid by consumers of natural gas.

Furthermore, the remaining wellhead price controls are uneconomic, wasteful, and ultimately harmful to consumers. Even after partial wellhead decontrol under the NGPA, 24 categories of natural gas production remain subject to NGPA price controls at ceiling prices that range from $0.35 per mcf for minimum rate old gas to $6.83 per MMBTU for incentive gas produced from tight formations. The multiplicity of NGPA pricing categories and the wide disparity of ceiling prices confuse producers' decisions as to where to commit capital for exploration and production. The remaining NGPA ceiling prices have resulted in overinvestment in low-producing but high-priced wells and underinvestment in production from previously discovered reservoirs that could produce more gas at relatively lower cost. Although NGPA ceiling prices do not compel purchasers to pay the maximum lawful price for price controlled gas, ceiling prices referenced in gas purchase contracts have the net effect of propping up prices in excess of the market price. In conclusion, whatever validity the NGPA categories may have had 11 years ago, today this system of wellhead price regulation frustrates rational decisions to produce natural gas based on the real economic cost of resource extraction.

In the final analysis, wellhead decontrol is proconsumer because it will help ensure adequate supplies of reasonably priced natural gas. Given our experience of the past two decades, it is clear that wellhead price controls did not prevent the curtailments of the 1970's and did not prevent the accrual of take-or-pay liability in the early 1980's and that consumers have benefitted in the wake of partial wellhead decontrol under the NGPA. Prices at both the wellhead and at the burnertip have dropped substantially since the decontrol of most new gas supplies on January 1, 1985. Between the end of 1984 and the end of 1988, the average wellhead price fell from $2.66 per mcf to $1.71 per mcf—a decline of almost 26 percent. The decline in wellhead prices has been passed through in substantial part to residential natural gas consumers; during the same periods, residential gas prices declined by $0.85 per mcf. While some may question the precise cause of the decline in wellhead prices—certainly developments in world oil markets had some impact—the fact remains that partial wellhead decontrol has caused the market to displace administered price controls as the predominant force in setting natural gas prices.

Open access pipeline transportation under the FERC's Order Nos. 436 and 500 and the Commission's other procompetitive policies have created opportunities for all classes of natural gas consumers to share in the benefits of the decline in wellhead prices. In fact, there are reports that residential consumers in Ohio have formed cooperative arrangements to make direct purchases of natural gas from producers and marketers.

In the future, competition at the wellhead based on the real economic cost of gas production will help to keep natural gas commodity prices at the lowest reasonable level necessary to produced sufficient supplies to meet consumer demand. In assessing the impact of this legislation, the correct question is not whether natural gas prices will increase in the future. Our experience of the past several years has demonstrated that natural gas prices will respond to market forces regardless of the existence of price controls on a minority of domestic production. Rather, the correct question is whether the market will most efficiently equate supply and demand in a situation where artificial constraints on price and allocation distort producers' decisions or in a situation where producers are encouraged to make investment decisions based upon the real economic cost of resource extraction. The answer should be clear.

Wellhead decontrol will promote an efficient and responsive natural gas industry which is important for purposes of national energy policy. Demand for natural gas is predicted to increase significantly over the next decade and much of this increase is tied directly to the realization of policy goals of national importance.

Natural gas can contribute greatly to reducing our Nation's dependence upon imported oil, to ensuring the availability of clean-burning fuels for purposes of addressing environmental problems, and to meeting the need to construct new electric generating facilities to satisfy forecasted increases in the demand for electricity.

Some have questioned whether there exists the resource base to satisfy this new demand as well as the continued demand of traditional natural gas markets. The evidence is that there exists adequate gas resources and deliverability to meet the anticipated demand. A Department of Energy study released in May 1988 concludes that in the lower 48 States there exists a gas resource base on 583 trillion cubic feet—almost 35 years supply at current consumption rates—that is economically recoverable at less than $3 per mcf. Furthermore, pronouncements that there are looming supply shortages and sharp price spikes fail to consider the flexibility of the Nation's gas delivery system and the inherent flexibility of end-use markets.

Finally, the Senate must pass a clean wellhead decontrol bill with no amendments to H.R. 1722 as reported by the Committee on Energy and Natural Resources. An important prerequisite for the industry consensus behind the wellhead decontrol bill was that it be a clean bill. For purposes of this bill, the various industry groups agreed to put their differences behind them and to compromise on several points. Amendments that would be controversial to any segment of the industry would put the consensus—and the bill—in jeopardy.

Time and again it has been proven that comprehensive natural gas bills topple of their own weight and in the end accomplish nothing. Our experience with attempts at wellhead decontrol in 1983 and 1985 is evidence of this. We should not put at risk accomplishing wellhead decontrol for the sake of addressing other issues that are better suited for resolution by the FERC and by the Federal courts.

In conclusion, I strongly urge my colleagues to join with me in voting for H.R. 1722, the Natural Gas Wellhead Decontrol Act of 1989.

Mr. President, I ask unanimous consent that a letter dated June 5, 1989, that was sent from Adm. James D. Watkins, the Secretary of Energy, to all Senators urging their support for the wellhead decontrol legislation reported by the Committee on Energy and Natural Resources be reproduced in the CONGRESSIONAL RECORD. I also ask that a letter sent by 11 organizations representing producers, pipelines, local distribution companies and end-users to all Senators urging support for the wellhead decontrol legislation be reproduced in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF ENERGY,
Washington, DC, June 5, 1989.

Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congress and the Administration have a unique opportunity this year to forge a bipartisan consensus to eliminate unnecessary and burdensome regulation of the natural gas industry.

A natural gas wellhead decontrol measure, the Natural Gas Wellhead Decontrol Act of 1989, was reported by the Senate Energy Committee by a vote of 17-2, and is now moving to the Senate floor for a vote in early June. This measure essentially would eliminate remaining natural gas wellhead price controls as contracts expire or are renegotiated, with all wellhead price controls eliminated by January 1, 1993.

In the interest of relieving the natural gas industry and consumers of a continuing regulatory burden and in the interest of furthering competition in the industry, all remaining wellhead price controls on natural gas should be removed. In his first budget message to Congress, President Bush expressed the belief that ". . . at long last the Federal Government should fully decontrol natural gas."

Recent changes in the natural gas and oil markets have resulted in current natural gas prices that are significantly below most of the ceiling prices established in the Natural Gas Policy Act of 1978 (NGPA). Although about 40% of 1988 production was subject to NGPA price ceilings, the Energy Information Administration estimates that only about 6% of 1988 production was constrained by binding price ceiling below the market price.

After full decontrol takes effect on January 1, 1983, gas markets will function more efficiently and rationally in sending correct price signals to consumers and producers. Correct price signals are indispensable if natural gas is to play its appropriate role effectively in national energy policy. Natural gas provides a competitive, domestic alternative to imports of oil from insecure sources.

Natural gas decontrol can also be an integral part of our environmental policy. Natural gas burns much more cleanly than other fossil fuels. In addition, natural gas combustion produces almost no solid waste, sludge or water pollution. By allowing gas markets to function more efficiently, we will allow natural gas to contribute toward our clean air goals.

The market is currently the predominant force setting prices of natural gas. It is sending fairly accurate signals to consumers on when to consume gas as opposed to when to consume oil, coal, or engage in conservation. It is sending fairly accurate signals to producers on when to produce. The experience of the last several years in the gas market shows that it has been very responsive to supply and demand conditions.

If natural gas prices are decontrolled, downward price pressure will be the result over the longer term. Thus, prices will be lower than they would otherwise be without decontrol. The downward pressure will result from two factors. First, lower cost reserves will be produced more efficiently under decontrol and thus postpone the production of higher cost reserves. This will result in prices lower than would otherwise be the case. Second, producers will be relieved from regulatory burdens which would otherwise add to their costs. In a highly competitive market such as the current gas market, lower production costs will result in lower prices, all other things being equal. Given that many of the benefits of decontrol already have been realized by lowered gas prices and recent Federal Energy Regulatory Commisison actions, we would not expect the difference between decontrol and no decontrol to be dramatic.

The reported legislation represents a consensus of parties that have long been at odds on natural gas decontrol legislation. It is supported by the Natural Gas Supply Association and Independent Petroleum Association of America representing producers, the Interstate Natural Gas Association of America representing interstate natural gas pipelines, the American Gas Association representing natural gas pipelines and local distribution companies, and various organizations representing industrial consumers.

The Department of Energy has advocated immediate wellhead price decontrol. In the interest of keeping the consensus intact, however, the Department is supporting the January 1, 1993, date for total elimination of natural gas wellhead price controls. It has come to my attention that amendments that address other gas issues may be offered on the Senate floor. The Administration strongly opposes amendments to the consensus bill and would prefer to see unrelated gas issues addressed in a context other than wellhead decontrol legislation. Amendments to the wellhead decontrol legislation could make it difficult to maintain this consensus. Thus, I urge you to support the Senate Energy Committee's gas wellhead decontrol legislation when it reaches the Senate floor.

Thank you for your attention to this important issue.

Sincerely,

JAMES D. WATKINS,
Admiral, U.S. Navy (Retired).

JUNE 1, 1989.

Hon. J. BENNETT JOHNSTON,
U.S. Senate, Washington, DC.

DEAR SENATOR JOHNSTON: The undersigned organizations urge your support for passage of S. 783, the Natural Gas Wellhead Decontrol Act of 1989, which was recently reported without amendment by the Committee on Energy and Natural Resources. The bill would phase out the remaining wellhead price controls on natural gas by January 1, 1993.

S. 783 is sound energy policy that will benefit consumers of gas. Most gas flowing today is decontrolled under existing law and the current market price for gas is well below the ceiling price for most gas flowing under regulated price categories. Thus the removal of the remaining controls will not adversely impact consumer prices. In fact, consumers and the industry will benefit from decontrol as clear market signals will encourage the efficient and timely development of the nation's gas supplies.

We are aware of several amendments that may be offered to S. 783. These amendments deal with extremely controversial and divisive issues which are being addressed by the Federal Energy Regulatory Commission or the Courts. While each of the undersigned organizations could support one or more of the amendments, many of these amendments are so controversial that their adoption would destroy the consensus of support for the bill and jeopardize its pas-

sage. Consequently, the undersigned oppose such amendments to S. 783.

Please feel free to contact us if you have any questions about the legislation.

Sincerely,

George H. Lawrence, President, American Gas Association; H.B. "Bud" Scogging, Jr., President, Independent Petroleum Association of America; Jerald V. Halvorsen, President & CEO, Interstate Natural Gas Association of America; Nicholas J. Bush, President, Natural Gas Supply Association; Wayne Gibbens, President Mid-Continent Oil & Gas Association; Alexander B. Trowbridge, President, National Association of Manufacturers; Gary D. Myers, President, Fertilizer Institute; Robert A. Roland, President, Chemical Manufacturers Association; Royce Laffitte, Chairman, Petrochemical Energy Group; Richard L. Lesher, President, U.S. Chamber of Commerce; Andrew S. Merrills, Chairman, Process Gas Consumers.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, first, I wish to compliment my friend and colleague, Senator JOHNSTON. I am happy to cosponsor the bill that is before us today that will finally, at long last, deregulate natural gas. I say at long last. We are talking about a bill that has been pending off and on before Congress for 35 years, because we have had price controls on natural gas since 1954.

Since 1954, Federal prices have distorted the whole natural gas market. In many cases, and I will tell you for the most part, certainly in the last many years, it has cost consumers billions of dollars. It did not save consumers billions of dollars. It has cost consumers billions of dollars. And it also hurt the natural gas industry and wasted a precious natural resource. So it is high time, to finally decontrol natural gas. Clearly, decontrol is better late than never.

For 35 years we have had price controls on this commodity, natural gas. It is the only major commodity on which the Federal Government still has price controls. At one time we had price controls on beef. We had price controls on oil. We had price controls on a lot of commodities, but today we only find price controls on natural gas.

Price controls have not worked. I think you can ask any economist, "do price controls work on natural gas?" And the answer is "No." Did they save consumers money? The answer is "No." Most of the price controls that we still have on the books today are at prices that are well above the marketplace. As a matter of fact, we find, I believe, that 94 percent of all gas today is in effect deregulated because the price ceilings that we have under the Natural Gas Policy Act are well above the market price. But because we have Natural Gas Policy Act price ceilings above market price, we have a lot of contracts that were written to couple with Natural Gas Policy Act price ceilings, and so consumers are paying more than what they have if we had no price controls on natural gas.

There are a lot of people in the natural gas industry, some even testified before the Energy Committee, who did not want to see price controls eliminated because they were getting more for natural gas because of price controls. I can tell you that, time and time again, I have had a lot of people in my State say, "Senator, we are not really interested in decontrol because we have been making money off those price controls that Congress passed in 1978."

I will also tell you that Congress, when it passed the Natural Gas Policy Act of 1978, did a lot of damage. They called for phased decontrol. The only area they immediately decontrolled was the so-called "deep gas"; gas that was deeper than 15,000 feet. They said, "we are going to immediately decontrol that category of gas." A lot of people in my State said, "Isn't that great?"

The Nation had a gas shortage at that time. Why did we have a shortage of natural gas in the late 1970's? We had a shortage because of Federal price controls. That is, the only reason we had a shortage was because the Federal Government was controlling the price of interstate gas. So we had a shortage in the interstate markets, particularly the Midwest. We had an excess of demand over supply. So when Congress decided, well, we need to do something, because there were brownouts, factories that were being shut, schools that were being closed, and people out of work. Why? Because we had price controls on interstate natural gas.

Congress in 1978 said, "Well, we are going to try an alleviate some of that. We will decontrol, at least immediately, one category of gas." We decontrolled "deep gas," gas deeper than 15,000 feet. Because demand exceeded supply, we really had a big increase in prices for that one little category of gas. We had gas prices that went up from $2 to $3, to $6, $7, $8, $9, and even $10 per MCF.

A lot of that deep gas came from my State. There was an explosion in drilling. We went from a couple, 8 to 880 drilling rigs. We had lease prices go up; and we had banks that were thriving. We had a bank called Penn Square that started lending billions of dollars. They did not have the money, so they borrowed it from Continental Illinois and Chase Manhattan and Seattle First. Billions of dollars were loaned on deep gas, gas that was going for $8, $9, $10, and people thought it would go even higher. They borrowed this money to go out and drill for that gas, as Congress had encouraged them to do. They were encouraged to drill for deep gas because Congress decontrolled that one little category of gas, a very small percentage of gas in the United States.

Eventually, supply equalled demand and then those prices which rose very high in a very short period of time fell very far in a very short period of time, and so those billions of dollars of loans that were made with the expectation that prices would continue to increase were not good any more. So those loans failed, and those banks failed.

Penn Square failed. Penn Square failed, I believe, on July 5 in 1982, and brought down a lot of the banking industry and S&L industry in my State. Continental Illinois failed shortly after that, a couple years later. It cost over a couple billion dollars for the Federal taxpayers to bail out Continental Illinois.

A big part of the bank's mistake was they invested on this one category of gas. Again, this was a mistake that Congress made when it passed the Natural Gas Policy Act in 1978 because it did not do what we are getting ready to do. It did not deregulate all categories of gas. It deregulated only a very small category of gas and said for that one category to fill the market, take care of the excess of demand over supply at that time. That was a severe mistake.

Maybe Congress was well intentioned. I do not fault Congress, and I do not fault those Members. I was not here. If I had been here, I think I would have tried to influence Congress to act a little differently. I had a background in the natural gas industry, so I was somewhat familiar with it. But good intentioned as they were, it caused a lot of problems because Congress did not go far enough. Congress did not deregulate all our natural gas.

Mr. JOHNSTON. Will the Senator yield?

Mr. NICKLES. I will be happy to yield.

Mr. JOHNSTON. First, I want to congratulate the Senator for the leadership he has given in this area of deregulation. The reason for keeping some of that gas under regulation was not because we did not recognize that regulation was a bad thing. It simply was a question of getting the votes. It was simply a compromise that had to be struck with those who said let us see how this works, let us not go too far too fast. That is why we kept that gas under regulation. It is not because we did not recognize we should have released it.

Mr. NICKLES. I appreciate the Senator's comments. I know my good friend from Ohio was also engaged in that lengthy discussion on the bill in 1978, but we still ended up with a faulty product. It ended up with one a category of gas deregulated immediately.

Mr. President, natural gas is natural gas. It is the same natural gas below 15,000 feet as it is in a shallow well. It is the same natural gas drilled before 1977, before 1980, or whenever. We had 33 different categories for natural gas and we still have far too many regulated categories for natural gas. We were paying producers in Canada, in many cases, three and four times what we paid producers in Louisiana and Oklahoma for "old" gas.

Again, I think that the Good Lord probably put gas in Canada about the same time he put it in the United States, so why should we pay a producer more in Canada than we are allowed to pay our own producers for the same commodity? It is because of this complex scheme that was devised, the so-called Natural Gas Policy Act of 1978.

The Congress made a couple of other mistakes. It also regulated gas in Louisiana, Texas, and Oklahoma that was deregulated before. The intrastate market: The intrastate market did not have a shortage like the interstate markets did. But Congress said, "Well, we will solve that problem, we will just put them under Federal price controls as well. If there is a shortage, they will have shortage in those States."

That did not make sense. That was another mistake. The Natural Gas Policy Act made a lot of mistakes and cost my State a lot, especially, its producers and its financial industry. To a large extent, the reason why there have been such severe economic problems recently in the oil and gas industry, is because the Congress mismanaged the industry in the Natural Gas Policy Act when it came up with all these schemes: "This area is going to be deregulated, and here are these different price categories." And, all those producers came in and said, "We will drill for these different price categories." In many cases, certainly for the last several years, those maximum ceiling categories have greatly exceeded what the actual market price is—what producers are actually receiving.

Congress did not stop there. It also passed the Fuel Use Act. It said we could not burn natural gas in certain industrial plants and said we could not burn natural gas in certain utilities, major utilities; instead, we are going to save natural gas for consumers. That law also cost consumers a lot of money. Finally, Congress had the wisdom, partly in 1981, and finally in the last Congress, to repeal most of the major sections of the Fuel Use Act. So we have taken care of that mistake.

We have also taken care of one of the other mistakes that was made by Congress in the same period of time by finally repealing the windfall profit tax. That was passed in 1980, again, as part of the Carter administration energy package. It made no sense. It taxed a few States to the tune of $79 billion. It took that money from a handful of States, and sent it to Washington, DC. For what? Was this really "windfall profits?" No; the tax was pure and simply a severe excise tax.

Was this excise tax on imports? No; it was only on domestic production. So we penalized domestic production and encouraged imports. Not a very sound energy policy in this Senator's opinion. It was a heavy exise tax, an unfair excise tax that the last Congress was finally successful in repealing. Now at long last, we have one piece of legislation that we still need to pass and it is to finally decontrol natural gas wellhead prices.

Let us get rid of these remaining price categories of gas. I look at the FERC's price ceiling for old OCS gas. In February its maximum lawful price was $5.16; old interstate gas, various ceilings from 35 cents to $2.80; we have interstate in-field well gas, $3.38; we have some controlled intrastate gas, $4.97; we have rollover contract gas, it goes for $1.93; we have Alaskan gas, it is at $2.80; we have tight sand formation gas at $6.77; we have some stripper well gas at $5.53; we have other controlled gas at $2.80. All these ceilings are above—many greatly above—current spot market prices of $1.35 to $1.50. And producers are not getting these ceiling prices—the average gas wellhead price was only $1.71 during 1988.

These ceiling prices at the categories of gas under NGPA make no sense. Natural gas is natural gas. Why have price controls on a commodity? It burns the same in your home whether it is the tight sand gas or whether it is old OCS gas or whether it is intrastate gas. Natural gas is natural gas. It does not need Federal price controls.

And so we at long last have the opportunity today to finally do what should have been done 35 years ago. Actually, we passed a bill, Congress passed a bill, back during the Eisenhower administration to eliminate price controls on natural gas. The President was going to sign the bill but did not because there was some unethical behavior in lobbying, and so he vetoed the bill. Many times some of my predecessors, Senator Kerr and Senator Monroney and others, tried to pass gas decontrol legislation, but for some reason or other they were never successful. We tried to pass a complex gas decontrol bill several years ago when we had 31 days of markup in the Energy Committee. We were successful in getting it through committee, but not successful in getting it through the Senate or the House. But this legislation before us today has passed the House. As Senator JOHNSTON said, it passed the House unanimously. It is identical legislation to this legislation that Senators FORD, JOHNSTON, MCCLURE, GRAMM, myself, and others have worked on. It is good legislation. It is positive legislation. It is simple. It decontrols natural gas. It eliminates all price ceilings in the Natural Gas Policy Act, no later than January 1, 1993. It says in the interim, any natural gas contract that is renegotiated or any natural gas contract that expires will be deregulated. That is good, and a positive to letting the free market set prices. The bill makes sense.

There is only one minor difference between this bill and the House-passed version of the bill, and that deals with "newly spudded" wells. I hope the Senate provision will prevail. I think it should. Our approach to the removal of the NGPA price controls should be consistent. The Senate bill is consistent. Gas from newly spudded wells is treated the same as all gas under contracts—it is decontrolled on January 1, 1993, unless that contract expires or is renegotiated. The Senate bill makes sense. It is workable.

This is good legislation. This is proconsumer legislation. Consumers can benefit more in a market system than they can by arbitrary price controls that are selected years in advance by Members of Congress who really do not know anything about the natural gas market. They may be good-intentioned but do not know what they are doing. How could we come up with 33 price controls on natural gas in 1978 saying tight sands gas should have this price, old gas should have this price, and deep gas should have this price. It really does not make any sense. Members of Congress may have expertise in a lot of areas but this is not one of them. The marketplace can do a much more efficient, a much better job in allocating resources and a much better job for consumers as well. Consumers have paid billions of dollars because of these price categories that were designated by the Natural Gas Policy Act unnecessarily. So let us do consumers a favor. Let us do the industry a favor. At long last let us decontrol natural gas. Let us pass this bill.

There have been many changes in the natural gas industry since the last time the Senate considered decontrolling wellhead gas prices. During the past 5 years, gas prices have fallen dramatically, the transportation gas for others by pipelines has blossomed, and, most significantly, the vast majority of domestic natural gas has been effectively decontrolled.

The Congress began the process of decontrol by providing in the Natural Gas Policy Act of 1978 for the decontrol of "new" gas beginning January 1, 1985, and "infill" gas beginning July 1, 1987. Following both decontrol dates, the average wellhead price for domestic natural gas fell as free-market mechanisms replaced arbitrary pricing

categories. EIA estimates that 61 percent of domestic gas was decontrolled by 1988. The past 4 years of increasing decontrol since 1985 have helped to order gas markets.

The most frequently given rationale for continued price controls is to protect the consumer from higher prices. However, with more than 60 percent of natural gas decontrolled, the prices consumers pay will reflect the marketplace, not the price ceilings on the one-third of the gas that remains under price controls. Moreover, only a minority of the domestic gas that is still subject to price controls is selling at prices below current market prices.

According to the Energy Information Administration, the amount of "effectively decontrolled" domestic gas, that is, gas that is both decontrolled gas and gas which has a maximum lawful price above market prices, has grown from approximately 23 percent in 1983 to over 94 percent in 1988. Clearly, today's price controls on natural gas do not protect the consumer. In fact, there is evidence that consumers are actually paying higher prices for gas than they would in the absence of price controls.

The continued existence of Federal price controls on natural gas is distorting investment decisions, reducing the flexibility of the gas market to evolve, and requiring enormous administrative costs to be borne by producers, pipelines, and even the FERC. For example, Chairman Hesse was reported to have said that if this wellhead decontrol legislation becomes law, 100 or more jobs at the FERC would be eliminated in the well certification division alone.

On March 16, 1989, Senator FORD and I introduced S. 625, joined by our colleagues, Senators GARN, WALLOP, BREAUX, BOREN, BINGAMAN, SIMPSON, GRAMM, COATS, and COCHRAN. Our bill contained a transition period lasting until full decontrol on January 1, 1993. During the transition period, our bill would decontrol gas that is not subject to contracts that is, gas under contracts that have expired, or that expire or are renegotiated during the transition period. Moreover, the full decontrol under the bill would be achieved by repealing subtitle A of the NGPA, the wellhead price ceiling authority, rather than by abrogating producer/purchaser gas supply contracts. Accordingly, decontrol would be achieved only as contemplated by the parties to the gas contracts, such as by triggering the operation of a decontrol provision written into the contracts by the parties in contemplation of possible Federal decontrol. Thus, both the transition period and the full decontrol provisions of our bill would avoid contract abrogation.

Our bill has served as the model for the House-passed bill and for the Johnston-McClure-Nickles-Ford bill, S. 783, which I fully support. There is, however, one difference between the two Senate bills and the House-passed bill, H.R. 1722. H.R. 1722, as it passed the House, contains a provision in the transition period that would immediately decontrol gas from any well spudded after date of enactment.

In drafting the Nickles-Ford bill and in joining Senator JOHNSTON on his bill, I made a conscious decision not to make exceptions to the decontrol by mutual agreement policy underlying the transition period in our two bills. I specifically rejected the newly spudded wells concept in drafting S. 625, as being highly inequitable and bad energy policy.

The spudded wells provision is inequitable in that it would single out for special harm the very people who are currently adding to our Nation's gas supplies, the producers who are planning to drill for more gas. Many of these producers have already made investments in purchasing farmouts or other subcontract rights to drill in existing fields, they have taken out loans and have contracted for equipment. It is unfair for the Congress to abruptly change the rules on these investors after their reliance on existing FERC price rules and the underlying congressional incentives in the NGPA. These producers deserve adequate notice of a change in the rules.

The spudded well provision is also a step backward toward the NGPA's discredited policies of market tinkering. The provision would treat molecules of gas from one well differently than the existing law, and the existing contract, would treat molecules of gas from another well, even if the gas were from the same formation. It is this very type of government meddling in contracts and distorting free-market decisionmaking that we are trying to correct by repealing subtitle A of the NGPA.

The Senate Energy and Natural Resources Committee amended the House bill to reflect these concerns. H.R. 1722, as amended by the committee, does not contain this newly spudded well provision.

Mr. WIRTH. Mr. President, the Senator from Oklahoma is exactly right. The time has come. I thank the distinguished chairman of the committee and distinguished ranking member and others for rapidly moving this legislation. I hope we can finish it without a lot of the discussion and perhaps rhetorical, well-intended as it may be, flourishes of the 1970's

I went through all of this discussion 10 years ago on the Energy Committee in the House of Representatives. We had the battle. We went through it. We slowly but surely transitioned our way out of the crises of the mid 1970's, to which the Senator from Oklahoma so appropriately referred. And here we are today in a very different kind of situation, politically, economically, and environmentally.

Politically, we are at the point where anything unanimously passing out of the Energy Committee on the House side related to the deregulation of natural gas tells you that the Earth has shuddered and times have changed. Some of us went through those battles over and over and over again. They are now done; they are finished. Let us not do it again. And let us make sure we are doing the right thing economically. The facts are that we are very clearly entering a period in the next 20 to 30, maybe longer, years, a period of natural gas in our Nation's history. Natural gas has become recognized as perhaps the premium fuel. It has become recognized as the fuel that is going to be more accessible to Americans. It is recognized as a fuel that is easily transportable. It is recognized as a fuel that can solve the geographic problems we have in the United States—for example, too much of New England and that area of the country is dependent upon imported fuel. Pipelines are now moving in that direction. The time has come there as well. And we also have this new trade treaty with the Canadians giving us the opportunity to interchange energy resources in a way that strengthens both of our countries and certainly makes accessible the upper tier of the United States, which previously had not had such access to natural gas.

The economics, as well, in addition to the geographic determination, the economics certainly dictate this is the direction in which we ought to go. We went through the debate over the decontrol of the price of oil and we heard over and over and over again arguments that what was going to happen was enormous balloon in oil prices. Well, it did not happen. We went through the argument about the decontrol of much of the natural gas supply, and the argument was made then, ballooning prices. It did not happen. And it is not going to happen here either.

The facts are that it is not what we do related to energy prices. It is what happens with OPEC. OPEC is determining the price of oil. The price of oil drives the price of other alternative fuels, and we have to be realistic about that. We cannot hold back the tide of this international energy market. There is no way in the world we are going to do that.

When we underpriced natural gas through controls of the 1970's, the results were on the one hand sometimes booming demand and then resulting shortages, reaction, counterreaction, reaction, counterreaction. We wrote a lot of contracts that proved to be counterproductive. FERC now spends a great deal of its time trying to sort its way through all of these contrac-

tual relations because of the anomalies developed in natural gas control programs. We ended up costing consumers millions and millions of dollars in administrative action alone and, I would suggest, billions of dollars in direct costs.

What we want to do is understand that while deregulating natural gas is certainly not going to solve all of our energy problems; what it does is it gives us the opportunity to shift and change as the times change, as things in the Middle East change, as they certainly may, as gas supplies change, as oil supplies change, as the premiums placed on coal differ. It gives us greater flexibility for the market to move and adapt. We should not be facing this complex energy market with a rigid set of controls on about 40 percent of our natural gas supply. It just does not make any sense.

So the economics, the geography, the reality of the politics, the reality of 1989 tells us that it is time to pass this legislation rapidly.

Entering as well, Mr. President, are a whole new set of variables which also argue for natural gas, and that is the set of variables that relate to the environment. Nobody in this body and nobody in this country can be unaware of the extreme changes that are occurring around the globe, from low-level air pollution haunting every one of our cities, from Paris, to London, to Bangkok, to Mexico City. We are all familiar with those low-level air pollution problems.

And we are increasingly understanding the biggest set of issues of them all, global warming. The globe is getting warmer. It is getting warmer because of changes in the atmosphere. The atmosphere, which surrounds the globe which has acted as a kind of thermostat allowing a moderate temperature on the face of the globe to be maintained in allowing life to be supported and to develop with that predictable temperature changing, it is becoming thicker, and more like the effect of a greenhouse. That is the greenhouse effect. The atmosphere operates to hold heat in, and when the Earth gets too warm, it allows that warmth to vent out into outer space.

We are currently changing the nature of that atmosphere, and we are changing the nature of that atmosphere predominantly through man's activities in the production of various gases like chlorofluorocarbons and the biggest villain of them all in terms of the global warming is the excessive and rapidly increasing production of carbon dioxide. Carbon dioxide produces about 50 percent of the so-called greenhouse gases, and is about a 50-percent contributor to global warming.

As we understand this problem, understand what is going on long term, and understand the very significant dangers of global warming, we also start to understand what we can do about it. Just as man is having an impact on the atmosphere, man has the opportunity to slow down the process of global warming. And how do we do that? Clearly, we want to eliminate chlorofluorocarbons, and we are well upon our way to a 50-percent reduction agreement, and maybe moving more rapidly than that.

We can move on methane—more problematic, more difficult, but still more steps to be taken, and certainly and most importantly we can take very significant steps in the reduction of carbon dioxide.

As we do so, here is where natural gas comes in. Twenty-five percent of the carbon dioxide, approximately, produced by man comes from the United States. So what we have to do is in our own backyard tend to our own backyard, make our own backyard cleaner, and we have a number of ways of doing that:

First, to burn energy more efficiently. We are pretty good in the way we use energy but we use about twice as much energy per unit of gross national product as the Japanese or the Germans do. There is a tremendous amount of saving there. It is very important for us to emphasize energy efficiency and energy conservation.

Second, we can move toward alternatives in energy programs—alternatives to fossil fuel which means we once again ought to be very aggressive about solar energy, and in my opinion we are going to have to start all over again on nuclear to see if we can develop a safe and cost-effective nuclear program that addresses the issues of nonproliferation, waste disposal, and related kinds of issues that apply to the nuclear program.

As we do efficiency, as we do alternatives, we also have to look at the questions of forestation, both reforestation and stopping deforestation, trees being natural sinks for carbon dioxide. If we can do all of those steps, we ought to be more aggressively pushing the natural gas agenda. Natural gas burns cleaner than coal, burns cleaner than oil, and when we have the opportunity we certainly want to make the transition toward clean fuels wherever possible. Clean coal technologies are absolutely imperative. And transitioning where we can, where it is appropriate, to use of natural gas is also a prudent and wise thing to do.

The freer the marketplace the more likely we are to be able to make those decisions, and to make them carefully and rationally within a sound economic system rather than within the higgledy-piggledy of a regulatory program.

There are a whole variety of ways in addition to the reduction of carbon dioxide from many powerplants, combined cycle turbines, coal firing with coal, a variety of ways in which we can move on the transition of natural gas for central power sources. We also want to take some very significant steps in other areas.

For example, in the area of transportation, the other main use of fuel in this country, other than building standards and industry, we are heavily dependent currently on the traditional uses of oil. We want to make that transition as well toward experimentation and starting to use more and more natural gas, not only in individual fleets, but mass transit across the country—tremendous opportunities here and ones that we ought to be pursuing.

I would not be at all surprised that as we view the President's clean air proposals, which I understand will be coming out early next week, that within those proposals will be some very significant dependence on natural gas.

So we are in a kind of win-win situation here. By passing this legislation related to natural gas, we are not only doing the right thing economically, we are not only avoiding the mistakes that we made in the 1970's, as we worked our way out of that energy crisis, we are not only making sure that we are evening out the geographic inequities in the country in terms of access to natural gas, we are doing all of those things but we also have the opportunity to make some very significant steps in the area of the environment.

Global warming is the premier environmental issue that all of us and our children and probably grandchildren are going to face. It is time we started to take rational steps to counter the global warming trend now. We have to take a whole lot of those steps and one of them is to make sure that we encourage greater use of natural gas, and one of the ways to do that is to assure that we pass this legislation.

Mr. President, I hope we can get through this debate very quickly. I hope we can get through this debate and not get hung up on a lot of discussion echoing our past, but let us look to the future, deregulate natural gas, look to this as a benign fuel, a more benign fuel in terms of global warming and other environmental issues, and move this out as quickly as possible.

Thank you very much, Mr. President.

I yield the floor.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I rise in strong support of the pending matter, the Natural Gas Wellhead Decontrol Act of 1989, which proposes to eliminate the remaining Federal wellhead price and allocation controls on natural gas.

I firmly believe that returning natural gas production to the discipline of

the marketplace will benefit consumers and our economy, both in the short and long run. That is why I cosponsored this legislation, and that is why I urge my colleagues to vote for it.

Mr. President, we now are at a crossroads. We can choose to hold on to the last vestiges of Federal wellhead controls engendered nearly four decades ago by the Supreme Court's 1954 Phillips decision. Or, instead, we can recognize the overwhelming benefits of the marketplace, and take the final step to bring about a market-regulated natural gas supply. We must keep in mind that we are not eliminating wellhead regulation, we are substituting market discipline for Federal controls.

There are also those who would urge the Senate not to take this step; they claim that it would hurt consumers. They urge that continued Federal regulation would protect consumers from product shortages and price increases. But if you believe that, you are putting fear over experience.

If there is one thing we know for sure from four decades of wellhead regulation, it is that Federal interference in the marketplace only harms consumers.

Federal wellhead controls have not prevented severe gas shortages from occurring; in fact, the exact reverse is true—Federal controls have instead directly created shortages. This occurred during the late 1960's and 1970's when Federal controls kept natural gas from entering the interstate gas market at the very time gas producing States were awash in surplus supplies. As a result, there were growing gas shortages and curtailments in the interstate market. And who can forget what happened during the winter of 1976-77 when severe shortages led to the school closings and the shutting down of businesses and industry in the Midwest. Clearly, Federal controls did not help consumers in that case; they harmed them.

Nor have Federal controls protected consumers from rising prices. Following the 1978 enactment of the Natural Gas Policy Act, the wellhead price of natural gas increased, on average, 20 percent per year for the next 6 years. It wasn't until the NGPA in 1985 deregulated half our gas supplies that wellhead prices stopped rising, and then actually began to fall. Since partial deregulation on January 1, 1985, wellhead gas prices have fallen by nearly 50 percent. Clearly, partial deregulation has benefited consumers, as will be the case with total deregulation if we pass the pending legislation.

The lesson from our four-decade experience is plain and simple: Federal interference in the operation of the marketplace does not help; it instead causes severe distortions which directly harm consumers. Normal market activity, however imperfect, is far preferable and results in a more rational and efficient allocation of supplies; it matches supply with demand, bringing forth supply when needed at prices that are reasonable.

Over the past several years Federal wellhead controls have become increasingly irrelevant, becoming the moral equivalent of an appendix; at best doing no good, and at worst causing real harm. In part this is the result of the 1978 enactment of the Natural Gas Policy Act which deregulated roughly half our gas supply on January 1, 1985. In part this is attributable to a host of regulatory actions by the Federal Energy Regulatory Commission, most notably their establishment in 1985 of the so-called "open access transportation program," which further brought market forces to bear.

As a result, today only a small percentage of natural gas is price-constrained by Federal controls—some place it as low as 6 percent. But perversely, Federal controls also have inadvertently resulted in substantial volumes of natural gas being artificially held at prices far above market value. The situation reminds me of the man who had one foot in a bucket of scalding water and one in a bucket of ice water. On average it was fine, but both his feet hurt like the dickens.

In sum, Mr. President, what we are today considering is the question of who can best regulate the operation of the marketplace: the Federal Government or market forces. To me the answer is obvious—the marketplace can do it better. It is now time to do away with the remaining Federal regulations.

The House of Representatives agrees; they have unanimously passed H.R. 1722, which is substantially the same as the legislation we are now considering. Today, as never before, there is near unanimity in support of decontrol: major and independent gas producers, interstate pipelines, local distribution companies, industrial end users and consumer groups all agree that decontrol, as formulated in the pending legislation, would be in the overall national interest.

In this connection, I must note that I personally would have preferred decontrol to occur immediately, instead of the bill's January 1, 1993, date. However, 1993 is not an unreasonable compromise and therefore I support it.

Those who oppose the pending legislation do so not because they believe that decontrol would increase gas prices; there is agreement that decontrol would have little, if any, upward impact on gas prices. Instead, they oppose the legislation because of the issues it does not address. However, there is no question that if extraneous amendments are adopted, particularly those which deal with the so-called LDC bypass issue and mandatory contract carriage, action on decontrol legislation would have to wait for another Congress. And that would not benefit consumers or our economy.

I want to make clear one thing this bill does not do; it does not deregulate interstate natural gas pipelines. Pipelines are natural monopolies and their continued regulation is in the public interest. Federal law confers upon the Federal Energy Regulatory Commission the duty and responsibility to ensure that interstate pipelines operate responsibly, and this legislation does not alter that.

Mr. President, it is for these reasons that I strongly support the pending legislation and urge my colleagues to vote for it.

I might just add parenthetically, Mr. President, that I spent, as chairman of the committee, about 2 years of my time in constant negotiations trying to arrive at a package that could muster majority support. After 2 years, I was forced to give up that effort, recognizing that we simply were not going to get there. This package, a brace in this bill, can and does have majority support. To attempt to improve it threatens, in my judgment, to destroy that consensus, and we will indeed make it impossible again to enact the deregulation, which is in the interest of every citizen of this country.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I know my geography. I usually know where I am. Today I think that I am in the land of Oz, and I have been listening to the wizards of Oz tell me, in the words of my good friend, Senator JOHNSTON, that this bill will not adversely affect consumers, and it will help consumers.

My friend, Senator NICKLES, says that it is proconsumer legislation. My friend, Senator MCCLURE, says that it will benefit consumers and our economy.

Come on, who are you kidding? Who are you really kidding? The only people that are for this bill are the producers, the oil line, the gas line owners and some utilities—not all utilities.

Not one consumer group in the country is for this bill. You are telling us that you are going to decontrol the price of gas—A wonder of wonders; it is going to bring down prices and help the consumers. Is that not a wonderful thing to be doing, and is it not wonderfully generous of the oil companies that control about half of the gas that is in the ground, and the other gas producers—is there not some kind of magnanimity that believes there is a Christmas season; they are standing here telling us they are just going to give away all these dollars and bring

down prices to help the American consumer? No way.

Consumer groups testified against this bill. There is not a consumer group in the country supporting this legislation, and to the best of my knowledge, there is not an oil company or gas producer or a gas pipeline company that is not supporting the bill.

I rise in opposition to this bill. If it passes in this form, Mr. President, in years to come it wil be known as "the natural gas ripoff bill of 1989." My friend over here says it is not controversial. Well, I suppose that is a matter of perspective. It may not be controversial to you, but it is very controversial to those users of natural gas who will be paying the bill. Most of them do not know what is happening. It is June, and not many people are heating with gas in June, but come the winter season, the prices will be up, and they will be very unhappy about what this Congress did.

Frankly, this is a controversial bill. I do not know why it passed in the House. I tried to call Phil Sharp and ask him how come he rolled over and did not oppose the bill. He did not call me back. I do not know why. I cannot explain what other Members of Congress do. I can speak for myself, and I say, without any fear of contradiction, that the consumers of America will pay the price, if this bill passes.

No ifs, ands, or buts about it.

Talk about what happened in the past, you have to add into that equation the fact that oil prices came down throughout the world. Nobody expected they would do that. But OPEC could not control its own members. So when oil prices came down, natural gas prices followed the curve.

More than a decade ago, Mr. President, I took this floor to oppose the ancestor of this bill, the Natural Gas Policy Act of 1978. It is a long story. But 3 weeks and 130 rollcall votes later, our filibuster on behalf of American consumers was broken, broken not due to a lack of support, broken by changing the rules and, as Senator JOHNSTON has already said, there were new interpretations, so many new interpretations to break that filibuster, that they had to rewrite the rule book. In fact, they did. But that is yesteryear's news. That is not the issue before us today.

The fact is that when Congress finally did pass the Natural Gas Policy Act of 1978 it did so over the vigorous and vocal opposition of consumers. As bad as it was, as bad as it was, at least the NGPA assured consumers that as gas prices rose under partial decontrol they could still buy that large long-term body of forever regulated gas at reasonable and affordable prices.

But here we are today with a bill to wipe out all the remaining protection against future runups in the heating bills of gas consumers.

My colleague from Colorado talks about the fact we ought to be using more natural gas clean. I agree with that. You do not get people to use more by raising the prices on them. This bill once and for all would cancel without cause 3½ decades of protection for America's homeowners, renters, small businesses, and industrial firms who rely on gas to heat their homes and offices, cook their food, fuel their factories.

Under such a fundamental reordering of regulatory policy, one might expect a bill as a product of compromise, give and take. This bill has all take in it and no give. You would expect a bill that asks something of both sides. That is the way it usually works around here. That is the way it ought to work. But even the slightest little protection that was left in the bill when the House sent it over now the Senate Energy Committee takes it out. The argument is made 17 to 2 it came out of committee.

I have been around here long enough and I have sat on the committee long enough and have enough seniority on it to know that is not a pro-consumer committee. That is the committee that is pretty close to the industry, and that is all right. That is perfectly proper. There is nothing illegal or inappropriate about that. But the fact is that that is the committee that day in and day out works closely with the oil industry and the gas industry and you cannot expect that committee to be concerned about the consumers who are going to have to pay the bill.

But we here on the Senate floor have an obligation to be concerned about them. No give in this; all take.

This bill hands natural gas producers gigantic windfall profits by decontrolling the price of gas they now hold and allowing the price to rise and rise and rise as a basis to catch up with world oil prices.

When we had our hearing, there was testimony that the natural gas spot price is $1.35. The distinguished Senator from Louisiana just said the spot price in Louisiana at this time is $1.65. I do not know what the national spot price is, but every single scintilla of evidence that is available tells us that gas prices are going up, going up. Oil prices are going up. They have already gone up.

Who are these natural gas producers? Not the company that gets the check for your home heating bill. They are not the producers. Most of our natural gas is brought to the consumer by the same folks who brought us the Alaska oil spill and the ensuing price spike at the gas pump.

According to the Energy Information Institute, which did a study of the 22 major petroleum companies in this country, more than one-third of the new natural gas reserves reported during 1982-86 were not new reserves at all.

My colleague from Louisiana talks about all the gas we got because of the NGPA, the bill we passed 10 years ago, but the fact is that the industry itself concluded that the so-called one-third of new natural gas reserves reported during that 5-year period, 1982-86, were not new reserves at all. They were simply assets that were talked about in a merger between two or more producers.

The big oil companies have been buying up other energy companies and mergers involving billions and billions of cubic feet of natural gas reserves.

And what we have today on the floor of the U.S. Senate is a battle between the 10 top oil companies who control over 45 percent of the Nation's natural gas reserves, over 45 percent controlled by the 10 top oil companies, and their associated companies and others in this industry, and what we have is they are here standing up demanding of the Congress that all prices be decontrolled of those trillions of cubic feet of natural gas that is still in the ground.

We know who the big winners will be under this bill and we also know who the big losers will be. For natural gas consumers, Mr. President, there is nothing in this bill, zip, zilch, not one single thing for the American consumers, and three of my colleagues stand on the floor and say how great this bill is going to be for the consumers.

Come on. Let us get out our violins and play a tune. But there would be a lot of discordant notes if you played a tune on that basis, because that score just does not come together right.

They are asking for decontrol, telling us it is going to be great for consumers. Why do they want the bill so much? Are they such a pro bono publico organization that they are trying to get the price of natural gas down? No way.

This bill does not contain a single word, a single passage, a single subparagraph, not a comma in this bill is there for the natural gas consumers.

As the proponents trumpet, it is a clean bill, I will say it is a clean bill—how many times have we heard that around here—clean out the consumers of their cash. Oh, yes, it is clean in that respect.

Every time Congress attempts to pass a clean bill America's consumers better hold on to their wallets. A clean bill really means quick and dirty, take it from the consumers and give it to the oil company and the gas company. A clean bill means a bill stripped clean of anything the industry does not want.

That is certainly the case here. This is their bill. Nobody else's. No con-

sumer in this country wants it, I know. We had a large natural gas producer come before our committee and tell us that there is no question about it, prices are going to go up under this bill. That is unequivocal. That is undeniable. Prices will go up. We had the head of a large utility company from St. Louis come before our committee and tell us prices are going to go up. We had representatives of consumers come before our committee and say prices are going to go up.

Under this bill consumers come away emptyhanded, cleaned out, by the big oil boys pushing this bill. Not only does this measure rip away the protection offered by price controls, it completely neglects to remedy the host of problems faced by gas consumers today.

This bill makes a mockery of its own claim to be free market oriented. It completely ignores the anticompetitive, antimarketplace, anticonsumer regulations that are currently burdening gas users throughout the Nation.

There is no relief in this bill from smothering take-or-pay contracts and those take-or-pay contracts that are presently in effect are going to continue in effect. And the consumers are going to continue to pay the bill for that high-priced gas that is covered by the take-or-pay contract. Free market, yes; except when it might bring down the price.

No refunds are provided in this bill for consumers when the Federal Energy Regulatory Commission finds that pipelines are overcharging. Under the law today, when the Federal Energy Regulatory Commission finds that a pipeline is overcharging, it cannot order a refund. There is no provision in this bill to do anything about that. FERC does not even have the authority to do it. FERC has the authority to order future price decreases, but no authority when it finds that there have been overcharges by the pipelines to order the pipelines to make refunds.

There is nothing in this bill that provides any safeguard against large industries who bypass local distribution companies, leaving higher and higher bills behind for residential and commercial customers.

There is no support for low-income consumers to help them meet higher bills as prices climb or to help them insulate their homes as supplies tighten. No leverage for consumers to use on producers to renegotiate on oppressive contract clauses. Nothing in this bill to help consumers get out from under high-priced contracts until 1993.

This bill is unfair. It is wrong. It may pass, but if it passes there will not be a Member of the U.S. Senate who votes for it who will not be embarrassed to look at his or her constituents in the winter of 1989, and particularly the winter of 1990, because prices will continue to go up. And when your constituents say to you, "What did you do for me?", you will say, "Well, I decontrolled the price of natural gas so you could pay higher prices."

Proponents of this clean bill approach argue that it brings about total decontrol without getting caught up with other natural gas issues. There are only really two issues at hand today: prices and profits. Gas producers want it all. They want the freedom to charge prices as high as they can and they do not want Congress to correct the regulations that have been such a boon to their business.

To take so much so brazenly while offering nothing in return may seem an audacious way to do business, Mr. President, but I think I understand the strategy. This is a window of opportunity. This is as far from the heating season as it gets. It was in the 90's last week. We have been through a couple of mild winters and gas bills have been relatively low and supplies are currently stable and prices are down. And no doubt about it, the proponents are bringing this bill to the floor at an opportune time for their purposes.

But I ask my colleagues to recall that earlier attempts at total decontrol have failed and they failed for good reason. Because the Members of this body have seen and lived through the violent disruptions in the world energy scene, disruptions that led to extremely rapid price increases.

Look at oil prices. They are up 50 percent—50 percent—since November. Natural gas competes with oil. You do not have to be an economist or an energy analyst to know what that means. Gas prices are going to go up, way up. Maybe not tomorrow, maybe not next week, but soon. And anybody who stands here on the floor and says that this bill is proconsumer just is not sharing the facts and the reality with you.

This bill is anticonsumer. This bill is pro-oil, and it is pronatural gas producers.

You do not have to be an investment banker to understand why major oil companies are buying up natural gas reserves. You do not have to be an accountant to realize that with the top 10 big oil companies holding 45 percent of the gas reserves in this country—some of that gas as low as 35 cents or 60 cents per 1,000 cubic feet—that this decontrol bill is a gold mine for the oil companies.

I have been attempting to find the price of the gas that is in the ground. I have gone to the NGPA and I have gone to AGA, and I have gone to the API, and I have gone to the Department of Energy and the Energy Information Administration, and I have not been able to find the price of that old gas, that gas that is in the ground. I think there is something like 10 trillion cubic feet of it being held in the ground.

But the manager of this bill was good enough to share with me that which is described as "Federal Energy Guidelines, Table 2, Natural Gas Ceiling Prices, NGPA, paragraphs 104 and 106(a), (subpart D, part 271.)" And it talks about the category of natural gas and the type of sale or contract and the price.

It indicates that if there is post-1974 gas, for all producers, that that maximum price today is $2.82. Well, that is a long way from where we are, although I do not doubt that it will get there in the not-too-far-distant future. And it talks about 1973-74 biennium gas, and that maximum price is either $1.82 or $2.38.

Now, I am not an authority on all these categories of gas and I do not claim to be. If somebody were to ask me specifically what each category describes, I would not know.

Then it talks about interstate rollover gas, all producers. That maximum price is substantially below the price at which gas is selling today. That is $1.048.

Then there is replacement contract gas or recompletion gas. That is selling anywhere from $1.02 to $1.34. Then there is flowing gas—I guess that is the stuff that is continuing to come out of the ground. We can certainly understand that. That is 57 cents—57 cents—for the large producers and 67 cents for the small producers. I would guess that flowing gas makes up a very substantial portion of the gas that comes to market.

Then there is certain Permian Basin gas. That is about 70 cents for the large producers or 80 cents for the small producers. And then there is certain Rocky Mountain gas, and that is 67 cents for the large producers and 80 cents for the small producers. And then there is certain Appalachian Basin gas. That is described as north subarea contracts dated after October 7, 1969. That is 64 cents, and other contracts are 59 cents. And then there is minimum rate gas, all producers; that is 35 cents.

That sounds like a lot of different categories of gas. Is anybody going to stand here and tell me that the price of that gas is not going to go up to market, which is somewhere between $1.35, $1.65, and rising? Of course it is going to. And who is going to pay it? The consumers are going to pay it.

This old gas has, over a period of time, provided a cushion. It was a cushion of cheap, old, long-term system supply, that was mixed in with decontrolled gas and, as a consequence, the price did not rise to its maximum because there was that limit on it. But when you take the lid off at all, consumers in your States are going

to feel it and they are not going to like it, and I do not blame them.

As I said before, the telephones will not be ringing this afternoon. Senators probably will not hear them if they go back on a trip home this weekend. It may be as soon as this winter when my colleagues hear from them. But they will certainly be hearing from them by this winter, or not later than November 1990, and I will guarantee that to be the fact.

They will be asking: Why did you vote to raise my heating bills? What did you have against me, and what relationship did you have with the oil companies and the gas producers that caused you to cast a vote against me when I am trying to pay my overhead and send my kids to school and pay my taxes and buy food for my family? Why did you vote to raise the price of my gas bill?

Some Senators have spoken with me in the halls during the past week or two and have said to me: Well, will there not be more gas, then will there not be more competition and therefore will prices not be lower? My colleagues should not kid themselves. Do Senators think prices are going to be lower and that is the reason why the oil companies and the gas producers are here urging passage of this bill? No way.

Producers argue that almost all gas is effectively decontrolled because only a fraction of regulated gas flowing today is selling at prices below the controlled ceiling. Well, that is an irrational conclusion. That is illogical. That gas that is coming to market today does not represent necessarily all of that gas that is out there in the ground. They can bring to market whichever gas they want. They can bring decontrolled gas, they can bring gas that is at a higher price, they can keep the cheap gas in the ground and wait for decontrol. So they cannot say that because there is 6 percent of the gas flowing to market today that is controlled that the balance of the gas in the ground is not cheap gas that is being withheld from the market until we pass this piece of legislation and let it zoom up to $1.65 and $2 and $2.50.

Next year or the year after, market prices will inexorably rise and prices for those formerly regulated categories of gas will be shooting through the price controls stripped away in this bill.

I cannot give the exact figures as to how much gas is out there and at what price it would be sold today. I have already told my colleagues I have attempted to find those figures. I have gone to every resource that I thought was available. And it was not until about an hour ago that I was able to obtain this chart. I do not know how my colleagues were able to obtain it when I was calling Henson Moore, the Deputy Director of the Department of Energy; I was calling the Department of Energy through the regular channels; I was calling all of the groups where you might find the information, trying to find it in the annual reports of the oil companies and the gas companies but was not able to find it.

But then, somehow, those in support of this bill were able to obtain it and I thank them for sharing the facts with me. And I do not find any malfeasance on their part. I just find it unusual I could not find it from the Department of Energy and it came from the Department of Energy but it was not shared with this Senator.

I know these reserves held by the big oil companies are providing so much of the push for this legislation. Do not be fooled. It is not for nothing that the big push is on for this bill.

Some of you probably did not notice in the business section of your paper that Amerada Hess, another big oil company, just bought Transco's reserves, proven and unproven reserves, some difficult to extract. Do you know what they paid? Sight unseen—they could not go down and see the gas—sight unseen they paid $1.65 per 1,000 cubic feet. That is public information. It was to be found in the business sections of the paper.

Gas a few weeks ago was $1.35. It is $1.65 now in Louisiana and the upward trend is on. Why would Amerada Hess pay $1.65 for that which is in the ground, having to get it out and then bring it to market, and certainly there are some costs involved, if they did not know that gas prices were going to go right through the ceiling?

Gas is only selling today for a very modest price. We are in June—$1.35, $1.65—I am not sure. But why pass this bill? Why buy something sight unseen, whose price looks wildly out of line?

Can Senators really believe that this bill is good for consumers when the Senators from the gas-producing States are all here on the floor fighting so hard for its passage? Do you hear any Senators on the floor from the consumer States fighting for its passage? Of course not.

And why is this bill important? Because the producers are banking on prices going up and this decontrol bill going through and that is the reason that Amerada Hess is willing to pay $1.65 per thousand cubic feet for gas in the ground, not even taken out.

Mr. President, the increasing concentration of ownership of gas reserves will stifle competition as such potential competition is limited by the transportation monopoly of the pipeline. Every analyst you can find, even the managers of this bill, would agree that prices are on the way up. This legislation would improve the lot of the big oil companies and major gas producers by setting a new policy for natural gas prices. The sky is the limit. And the terrible ills in the natural gas industry go unaddressed to the continued detriment of consumers.

Mr. President, the complete unwillingness to entertain any provision that would help residential gas consumers get out from under unfair and expensive regulation is unfortunate. I will offer amendments to this bill. I will attempt to improve it. I will not vote for it. But the intractability of the gas industry and their total disregard for the needs of residential consumers ought to leave Senators from gas consuming States no choice at all but to vote down this bill. To do otherwise would be to set your constituents afloat in the rising waters of gas prices, without so much as a lifeboat.

Mr. President, I am about to yield the floor. I expect to address myself to this legislation at considerable more length. I expect to offer amendments in the course of the day and the days ahead of us.

I yield the floor.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, just very briefly to reply, I must tell my colleagues I would be severely and personally resentful of the remarks of my distinguished colleague from Ohio, had I not heard this story before. It is the same old tired rhetoric: brazen, audacious, handmaidens of the oil companies—what relationship do you have to the oil and gas industries, Senators, if you vote for this bill? What are you going to tell your consumers?

It is that same old claptrap, Mr. President, we have heard time and time before, which proved to be exactly wrong. That is what we were told on January 1, 1985. "If you let those prices be deregulated they are going to go through the roof." Remember, Mr. President? Remember, colleagues? That is what we were told.

What happened to prices? They came down 36 percent.

Mr. President, it is time to do away with that kind of rhetoric on the floor of this Senate. Oh, we are told that this is a great conspiracy by the Energy and Natural Resources Committee which is controlled by the industry; that they see a window of opportunity to press this through on the backs of consumers in order to help their friends in the oil industry. Well, Mr. President, the vote in the Energy Committee was 17 to 2. All of those 17 members, Mr. President, I can tell you, do not have pro-oil company voting records; would be severely offended if they were individually accused of being friends of the oil companies much less not voting evenhandedly on that issue.

But, Mr. President, the fact of the matter is, this is not even a Senate bill. This bill did not originate in the

Energy and Natural Resources Committee. It is a House bill. Its main author is PHILIP SHARP, who is not from a producing State, who introduced this bill and held hearings on it in the Energy and Commerce Committee chaired by JOHN DINGELL of Michigan, which last time I checked, Mr. President, was not a producing State. If it is, it does not produce much. And Indiana is certainly not a producing State. That is PHIL SHARP's home State.

I do not know whether the Senator from Ohio considers the Energy and Commerce Committee to be in the pockets of the oil companies, to be handmaidens, brazen, audacious, waiting for that window of opportunity to smash it through on the backs of consumers. Are you saying that all 435 Members of the House are all each individually in the pockets of the oil companies? Oh, come on, Mr. President. Come on now. They did not sneak this through in the middle of the night. It was over there for weeks. For weeks.

As a matter of fact, we said, "Look, if you cannot get it through the House, we do not even want to handle it because it is not that big a deal." It is only 6 percent of the gas now under these price controls. There will only be 2 percent on January 1, 1993; 2 percent of the gas.

Oh, but what is that 2 percent going to do to consumers? Mr. President, I will tell you what this is going to do for consumers. One witness came up, a Mr. Schusterman, I believe, if I pronounce his name correctly. I think he was introduced to our witness list by the Senator from Ohio. He produces from the Anadarko basin in Oklahoma. Do you know why he opposed this bill? He said it would break contracts. He has one of these special contracts that makes reference to the highest regulated price. The highest regulated price is $3.42, in his case. So by virtue of this present law which we are trying to amend, he was gouging the consumer to the tune of $3.42.

What we want to do is tell him that he can bring his price down to the market price, less than half the price he is getting. How many Schustermans are there? Please understand, Mr. President, I mean no disrespect individually to Mr. Schusterman. He is trying to get the highest price that the law allows. It simply is that the law presently allows Mr. Schusterman to charge consumers in Oklahoma over twice what the present market price is, and his consumers have to pay that.

Now, that is not right. The market ought to determine that. Will some of this gas go up? Yes, Mr. President. I said that in my opening statement. We think 2 percent; 2 percent of the gas will go up. Probably a like amount or maybe more, we cannot be precise, will go down. The effect on consumers will be minimal at best, probably positive and certainly the effect on natural gas supply will be good. It will not solve all the problems. Frankly, it is not that big a deal, Mr. President, it is just 2 percent of the gas that is controlled.

But, Mr. President, when I hear this old tired rhetoric—did you hear that? "What are you going to tell your consumers in the winter of 1990 when these prices go through the roof?" Mr. President, this decontrol does not even take place under this bill until January 1, 1993. What are you going to tell them in 1990? You are going to have to tell them they have to wait until January 1, 1993, if they are from Oklahoma and they buy gas from Mr. Schusterman, they are going to have to wait another 3 years to get their price brought down to half of what it is in order to be down to the market. That is what you are going to have to tell them.

Mr. METZENBAUM. Will the Senator yield for a question.

Mr. JOHNSTON. Yes, I will yield.

Mr. METZENBAUM. You mention constantly 2 percent.

Mr. JOHNSTON. Yes.

Mr. METZENBAUM. Is it not the fact that there are trillions of cubic feet of natural gas that are out there in the ground and that the Senator from Louisiana and the Senator from Ohio, neither of us actually know at what price that gas is regulated at the present time and, I would like to ask, where do you get your 2-percent figure from?

Mr. JOHNSTON. Mr. President, I get my 2-percent figure from our hearings, from the American Gas Association, which, by the way, represents local distribution companies for the most part. Local distribution companies are not producers; they are consumers. They are the distributors to the consumers, and they are in the position of consumers in this case. They are for decontrol. The AGA, in effect, is the voice of consumers in this case. They say their studies indicate it will be only a third of that presently under control will be left.

I am glad the Senator asked the question because I had it down here to answer. What he says is this; that there is a lot of gas now under these old gas categories which is being withheld from the market waiting for the price to go up. That may have been a phenomenon of past years, but it is not now, and I will tell you exactly why. That is, in order to be old gas, it must be under control as of April 1977. It must have been interstate gas under control as of that time.

All interstate gas under control as of the time that Natural Gas Policy Act went into operation was dedicated gas. Under the terms of the old Natural Gas Act of 1938, dedicated gas must keep flowing, all of it, to the market unless you go to the FERC and get permission to abandon. In other words, it has to flow until you get permission to abandon, and FERC will not give you permission to abandon simply because you want to wait for a higher price. They might give you permission to abandon, for example, if it is not economic to operate your well.

Mr. President, there is one category of gas which may be affected by this, and that is the gas yet undrilled, which they may not be drilling the wells to further develop the field because if it is at 35 cents, then that is a very small, minute quantity of gas at 35 cents where it is uneconomic to drill the further wells. But, Mr. President, all the gas that was flowing in 1978 and under these contracts is still flowing unless they got permission——

Mr. METZENBAUM. And still controlled.

Mr. JOHNSTON. Excuse me?

Mr. METZENBAUM. And still controlled.

Mr. JOHNSTON. Is flowing and still controlled. The Senator is correct that some of that, perhaps 2 percent of the total, would go up in price.

Mr. METZENBAUM. And is it not the fact that if it is flowing, you could increase the flow or decrease the flow and that would be your own personal decision to make and that some of it that is flowing at the moment could have great reserves that are tapped but not flowing in substantial amounts and that they would totally change the figure with respect to the 2 percent?

Mr. JOHNSTON. No; the amount of the flow cannot be regulated by turning up or turning back the tap. It is subject to a whole series of regulations. To the extent you tried to turn back the tap and restricted the flow, it would be a violation of your contract and a violation of law, so that it must flow in the full way. You are under no obligation to go out and drill additional wells.

Mr. METZENBAUM. That is right.

Mr. JOHNSTON. Except perhaps under your contract.

Mr. METZENBAUM. So you could go back where you have a tremendous field, and it is flowing, and it is controlled, and you drill additional wells at different points with respect to that particular field, that would all be controlled gas at the present time.

Mr. JOHNSTON. It depends. If the well was more than a mile and a half from the old well, it would be new gas.

Mr. METZENBAUM. Not if it is part of the same field. Not as part of the same field. If it was part of the same field in the ground, it is my understanding that, when you talk about the mile and a half, that had to do with where they go down and drill new. But if they know there is gas under there perhaps 30 miles this way

and 4 miles that way, that would not be new gas. That would be part of the same field and would be regulated the same way.

Mr. JOHNSTON. In the Natural Gas Policy Act of 1978, in order to get away from that question of what was a new horizon, what was an old reservoir, we simply used the rule of a mile and a half. If it is a mile and a half, it is new gas whether or not it is in the same reservoir or not. Excuse me, I said a mile and a half. It is 2.5 miles. Section 102, (c)(1)(B) says, "Any new well which is 2.5 miles or more, determined in accordance with paragraph 2"—in any event, it was 2.5 miles. It is new gas whether it is the old field or not.

Mr. METZENBAUM. That is a long ways away. There is a lot of gas in a 2.5-mile distance.

Mr. JOHNSTON. I think the Senator is correct, but it is not going to be drilled, you cannot force that guy to go out and drill a well when it is——

Mr. METZENBAUM. No. I own the gas, and I am bringing it up at a certain rate and I know that I can drop in some additional wells, lots of additional wells in a 2.5-mile area, but I know that if I do that it is going to be all at the old rate, 35 cents, 65 cents, whatever the case may be. Well, if I have any brains at all and I can afford to do so—and certainly the oil companies can afford to do so and certainly many of the major gas producers can afford to do so—they are going to sit back and they are going to know that at some point, whether it is now or the next year or the year after or 1993 or whatever the case may be, they are going to be able to decontrol, and they know that by sitting and waiting with the gas they are going to get a far greater yield on their money than they would if they just brought it up at 35 cents and invested their money at 10 percent.

Mr. JOHNSTON. I say to the Senator that his conclusion really is not correct that there is a lot of gas out there, believe me, because, in the first place, they would have had to wait an awful long time. It has already been 11 years. Under our bill they would have to wait another almost 4 years. So you have to assume that these people are waiting around for 15 years, waiting for this window of opportunity to come and produce that gas. It simply is not so.

To the extent it is so, believe me, Mr. President—and I tell my colleague—it is in the Nation's interest for them to go ahead and drill that gas at market price whatever the quantity is. If it is minute, at least small, it is in the country's interest for them to go drill it. And if they have waited 15 years already, why would they not wait another 15 years rather than go drill a well which surely is more uneconomical now than it was 11 years ago when they had the right to drill the same well.

Mr. METZENBAUM. It is the floor of my colleague and I do not wish to impose upon his time. One last gentleman.

Mr. JOHNSTON. That is all right. I think the Senator is learning something.

Mr. METZENBAUM. I am certainly being very well educated, and I am grateful to the Senator from Louisiana.

One simple question. Is the Senator saying to this body that the whole thrust of this bill is to deregulate 2 percent of the gas coming to market? Is that what the Senator is saying?

Mr. JOHNSTON. Yes, exactly, and I am saying that it is not because we want that 2 percent to go up in price, because an equal amount will go down in price. It is the regulatory burden which it puts on not just those 2 percent. If you are one of these under control, even though the control price may be well above—there is some controlled amounts here at $6 and something. That is four times what it is actually selling for. But if you are in a controlled price and you want to abandon because the company does not want to buy your gas anymore, it is too expensive, you have to go file an abandonment procedure with the FERC. Then, if somebody else comes along and says, "I want to buy your gas and I will buy it at such and such a price," then you have to file for a new certificate and you have to file a new rate schedule.

Let us say somebody wants a little gas for a few months. The regulatory burden of having to go to FERC every time you do that puts you at a competitive disadvantage. First, it costs a lot of money because, even though it is a noncontested procedure and even though FERC might give it relatively expedited treatment, it costs money to do that.

Mr. METZENBAUM. I understand that. Now, if my colleague is saying that it is the paperwork, which is always an abominable term around here and we always abhor anything that provides paperwork for industry or anybody else, individuals, I do not have any problem about that. I do not have any problem about that.

Mr. JOHNSTON. That is principally——

Mr. METZENBAUM. If that is what the Senator wants in this bill, let us sit down and work out the language to take care of eliminating the paperwork, but at the same time let us keep the controls in place so that the consumers do not get stuck with the added cost of the gas. I do not have any problem about eliminating paperwork. I have a lot of problem about increasing the price of gas to homeowners.

Mr. JOHNSTON. I say to my colleague there are no controls without paperwork. That is the whole point. The whole signal—the thrilling thing about history now is we are seeing the decline, the demise of communism. We see it all over the world. The only way these countries can operate is with these controls. The Chinese we thought were letting a little sunshine in on their free market, and to the extent they did, the system did well. Of course, it cannot accommodate the free world.

Mr. METZENBAUM. I know the Senator is not saying that controlling the price of natural gas is tantamount to communism or Chinese communism, Maoism.

Mr. JOHNSTON. It is inconsistent with the free market, and I think the message of history is that the free market works better, and surely in natural gas the free market works better.

Mr. METZENBAUM. Does not the bill of the Senator recognize the right to enforce pipelines to continue to buy from the producers at highly inflated prices and the bill does nothing about relieving that obligation which would indeed help consumers? On that score, I asked the Senator about it, whether it would take an amendment to change that, and the Senator indicated no, and I respect the Senator for that.

Mr. JOHNSTON. The highly inflated prices are the very thing that our bill does do something about, which is by doing away with all the controlled prices—you have not only the controlled prices that are low. You have controlled prices that are high.

Mr. METZENBAUM. Absolutely.

Mr. JOHNSTON. That are above market. That is that Mr. Schusterman that I was talking about.

Mr. METZENBAUM. Let us point out that Mr. Schusterman said he was selling at higher than market.

Mr. JOHNSTON. Yes.

Mr. METZENBAUM. But he also said—it was not my witness. He wanted to have an opportunity to be heard, and I said fine. But the fact is Mr. Schusterman said, make no bones about it, this bill will wind up costing the consumers more money.

Now, it is a fact that because of his peculiar circumstances I guess he would get less money, but I am not interested in that part. I am interested in the fact that Schusterman is one of the largest gas producers, according to his testimony, in the entire State of Oklahoma, and he was saying, do not kid yourself, this bill will wind up costing the consumers more money. He was also saying that he personally would be hurt by the bill because he would wind up getting less money, but overall the bill would cost the consumers more money was his professional testimony.

Mr. JOHNSTON. Excuse my skepticism about Mr. Schusterman, but he did not really put it this way. We since found out the price at which he was selling. He answered a question which we sent in writing. He was selling at $3.42. His consumers are paying twice the market price.

Mr. METZENBAUM. I said that.

Mr. JOHNSTON. Twice the market price.

Mr. METZENBAUM. He did not say twice the market.

Mr. JOHNSTON. Does the Senator think he was up there testifying for consumers? If he was concerned about consumers, why did he not sell at market price instead of gouging his consumers at twice the market price?

Mr. METZENBAUM. I have been arguing with Mr. Schusterman for years about his being on the wrong side of issues such as this.

Mr. JOHNSTON. I will stipulate about that.

Mr. METZENBAUM. So there is no argument about that. But Mr. Schusterman called and said this bill will result in higher prices to consumers. He testified this would result in lower prices for him. But I do not care about Mr. Schusterman and what price he sells his gas at except as it affects the consumers in that area.

But it is his expertise in this industry, and it is that portion of his testimony that I think is relevant. He said it is going to wind up costing consumers a lot more money. That is something that is irrefutable. That is the point I am concerned about, not about how much Mr. Schusterman will get. He can make out for himself.

Mr. JOHNSTON. I say to my dear friend, and he is a dear friend even though we have these fights from time to time, he is thinking about consumers. I will concede him that. Mr. Schusterman is simply out of step with virtually all the experts. He is out of step. He also has a demonstrated propensity to sock it to consumers.

Mr. METZENBAUM. As to the St. Louis utility head who testified he had a gas company, testified it would cost consumers more, was he out of step, too?

Mr. JOHNSTON. I do not recall the St. Louis utility man.

Mr. METZENBAUM. I think he heads up a public utility in St. Louis.

Mr. JOHNSTON. Yes. The Senator is correct. There was one LDC, local distribution company, who so testified. AGA, which is the collection of hundreds of local distribution companies whose only interest is to get gas as cheaply as they can, and in good quantities, are for the bill. Why would AGA be for it?

Mr. METZENBAUM. I think I can answer that. Because AGA is not just a representative of local utility companies. AGA utility companies in many instances are tied into the producing companies in the pipeline. The Senator from Louisiana is very knowledgeable in this industry, far more than I. But I know he and I both understand how this industry works, that pipelines are intertwined economically with producers, and producers and pipelines are intertwined economically with public utility companies. I think it is consolidated natural gas, if my recollection serves me right, that I believe covers the entire gamut. I believe Columbia Natural Gas covers the entire gamut.

I am not certain of my facts, but I think I am correct. I am quite certain about whether those two cover the entire gamut or not, there is no argument about the fact that there are just hosts of companies, major companies in this country, that are both producers, pipeline owners, and own major portions of the utility companies.

Mr. JOHNSTON. Mr. President, I will concede to the Senator that there are some companies who are like that. The majority of AGA, however, would be local distribution companies, and the important thing is that the local distribution companies individually, with one or two exceptions, and as represented by AGA, are all together on this.

Mr. METZENBAUM. No question the side of the Senator from Louisiana is all together; no argument about that. My side is all together too. All the consumers are opposed.

Mr. JOHNSTON. Will the Senator concede that as to the local distribution companies their interest is cheap natural gas as opposed to expensive natural gas?

Mr. METZENBAUM. I think it is fair to say that they would prefer to have cheap natural gas. Yes, I think it would help them competitively against electricity and other forms of fuels.

Mr. JOHNSTON. I appreciate that because that is the fact. They are for this bill.

This is a House bill. We did not even bring the bill up. I keep saying this bill is not of cosmic importance because it is not going to solve all of the problems, it is not going to be the kind of incentive that is going to rejuvenate the industry in my State, for example, which is way down. We did not put in this bill. It is a House bill. We waited for the House to act. We said, "Look, we are not going to go through all the trouble and effort on this bill if you guys over there in the House cannot pass a bill because it is not that big a deal." It is a small quantity of gas. It is an irritation, expensive irritation to have to go to FERC every time you want to change contracts. We want a market that operates quickly and efficiently, to balance supply and demand so if you are a producer you can find a pipeline, sell your gas, get it done quickly and inexpensively. That is in the interest of the consumer. That is what is involved here.

We waited for the House to act, and to act unanimously, before we took the bill up. One just simply cannot make the case, I tell my dear friend. The case cannot be made that this is a ripoff to consumers.

Mr. METZENBAUM. I believe the case can be made. But I will say one thing, and I respect the fact we disagree. But if the Senator is really concerned about making it a free market, why does he not have a provision in the bill to eliminate the requirement of pipelines to take or pay for gas from the producers, some of which is $6 and $7 gas?

Mr. JOHNSTON. That is a very good question. Let me answer it. The take-or-pay problem has been one of the most difficult problems that the whole industry has had to deal with. For my colleagues who are not familiar, I assume most are not from oil-producing States, back when gas was short—we remember the winter of 1975-76 when all of these industries were shutting down across the country because they could not get enough gas—they went out and employed an old device in the gas market which was to guarantee contracts for a guaranteed price and guaranteed quantities called take or pay. They would tell the producer, look, if you will sell your gas to me I will guarantee you such and such a price and I will take the quantity whether I need it or not. In other words, I will guarantee your price. To farmers it is a first cousin to a target price.

So it was a good deal for these companies, these pipelines who did not have gas and wanted gas. It gave the incentive to producers to go out and drill for gas.

The only problem was that gas at that time was in short supply and the prices were very high. There were all of these take-or-pay contracts which were at high prices, some as high as $6 and even higher.

Well, these were contracts, legal contracts, entered into by people of good will on both sides. They were not ripoff artists. That is what the market was at that time. But when the price went way down the industry was in a heck of a bind. They said, what are we going to do about it?

Well, the FERC entered an order—actually, the process of the market started working. Tenneco, for example, said to all of their producers with whom they had take-or-pay contracts, we are not going to take your gas. If you will not renegotiate, we are just not going to take your gas and you can sue us. In the meantime, the producers do not have any cash flow. In the meantime we have all of these lawyers, and we are going into this discovery. You might win but it is going to

take you 2, 3 years or something to win.

So they began a process of renegotiation. Then the question is, if you are going to buy out these producers from their take or pay, who should pay? Well, FERC came up with an order No. 500, I believe, where they said if you can renegotiate your contracts you can charge that half to the stockholders, and half to the ratepayers. As a matter of fact, it worked out very well for the consumers because the stockholders had to pay half of it, and the ratepayers only had to pay half of the settlement cost. In many cases, the settlement might have been, I guess, on the average, 15 to 20 percent of the take-or-pay premium.

If you look at the difference between what the market price was and the take-or-pay price, in most cases, the liability was negotiated down 80 or 85 percent. The balance which might have been 15 to 20 percent of the initial take-or-pay premium was divided in half according to order No. 436. So half of that went to the stockholders of the pipeline, and half went to the consumers.

So maybe half of 20 percent, say 10 percent, is all the consumers have had to pay for those legal contracts which were take-or-pay contracts. I think it has been a very good deal for consumers. It is a knotty problem. To say that take-or-pay contracts now, after the horse is already out of the barn, after these contracts were legally entered into, I think would be unfair, somewhere between unfair and outrageous of us particularly since the problem, for the most part, is solved—not completely, but for the most part, the market is solving that.

Mr. METZENBAUM. Some of that gas is still being passed through costwise to the consumers at prices two, three, and four times the market price of gas.

Mr. JOHNSTON. I do not believe that there is any gas left being passed through as those tremendously high prices. There may be some contracts, as yet unresolved. And there is a further question about whether we can do that, whether we could declare take-or-pay contracts to be illegal, and to bring the price back down.

Mr. METZENBAUM. I would say to my colleague on that, that my recollection is that during the New Deal days where the Nation's interest was involved, courts did recognize the right to vitiate contracts.

Mr. JOHNSTON. Well, what they do is, they will pass it through—in fact, they can only pass it through if it is found to be prudent, and so there is that defense. That defense is available now, and if consumers come in and prove that the pipeline was imprudent, in contracting on a take-or-pay basis for natural gas, then you cannot pass that price through, anyway.

So I can tell the Senator that we have looked very long and hard at take-or-pay contracts, because of the very thing that the Senator is raising. But it is very complicated, and I think most of the problem is solved; I really do. But this would not be the place to solve that.

Mr. METZENBAUM. Let me ask another question. Do you think you would be willing to accept an amendment that would vitiate indefinite price escalation where the contract provisions push up the gas prices, regardless of what the market is doing? In order words, they have an annual escalator clause in there. Nobody gets hurt if they do not get that increase. But under the court rulings, as I understand it, all those charges are passed on to the consumer.

Mr. JOHNSTON. Well, one species of those contracts is in fact done away with. That is those that reference the highest market price.

We do not outlaw it by this legislation, but the price comes down by virtue of it. I do not think that is a problem now, because, again, only 6 percent of the gas is selling below market. And you pretty well have a market—indefinite price escalators, where a particular problem at the time, when you had a regulated market, generally, and you had that gas below 15,000 feet, which was deregulated, an indefinite price escalator clause would reference, in effect, the deregulated price, which in those days brought the price from $1.50 to $8 in some cases. I think that is not a problem now.

Mr. METZENBAUM. If it is not a problem, why do we not put a clause in that takes care of it and keep me from being able to say that there is not a single line of the bill that is pro-consumer?

Mr. JOHNSTON. Well, I am inclined to do it, but I think it is not a problem, and I hate to legislate on these complicated matters here on the floor. Keep in mind that we have 6 percent under effective control now, and two-thirds of the contracts for that gas that expires by the effective date of this bill, which is January 1, 1993.

Mr. METZENBAUM. Keep in mind, you say 6 percent, you say 2 percent, and I say that that does not account for the tremendous amount of natural gas that is out there in the fields. I do not know how much of it is regulated, at what price.

As I said earlier in my remarks, I tried every way possible to get the facts, because I did not want to come on this floor and misrepresent the facts. But as far as I can find out—and I cannot get the facts—they are not just 6 percent, not just 2 percent, but there is an untold percentage of gas that is out there sitting waiting to be drilled and brought to market at regulated prices, 35 and 60 cents, and I do not know how much of it; I do not know the fact.

I know this: This bill is not going to effect—the battle is not over 2 percent of the gas. That is controlled price. It is not over 6 percent of the gas that is coming to market. It has to do with that tremendous amount of gas that is out there sitting in the fields waiting to be drilled, waiting to be brought to market, and the question is, at what price will it be brought to market, whether it is at market or at the old prices, at the regulated low prices.

Mr. JOHNSTON. Let me tell the Senator, on this question of the indefinite price escalator, what the problem, as I see it, is. I certainly would entertain his language. Indefinite price escalators usually make reference to a contract that we will sell our gas at the highest market price in the area. You usually define the area, and they set their price with reference to some other price.

Now, in the old days, that was a problem, because there was a huge difference in price. Under this bill, come January 1, 1993, all gas will be deregulated, and, therefore, what price could it be that would be the wrong price? In other words, what would you be outlawing at that time?

Mr. METZENBAUM. What is wrong with that phrase is that where there are escalator clauses of an indeterminate amount, they shall no longer be legal and valid.

Mr. JOHNSTON. It seems there is nothing wrong with an escalator clause, as long as it tracks a market price.

Would the Senator agree?

Mr. METZENBAUM. I am not sure I follow that, attracts.

Mr. JOHNSTON. Tracks. In other words, you have gas now, and suppose I believe, as you do, just suppose that, and say that gas is going up—and I, by the way, can make a very strong case that gas is not going up. Look at the action of OPEC just, I think, yesterday, keeping in mind that gas prices track crude oil prices, and OPEC just announced an increase in their production, which usually leads to a softening of the price.

In any event, we can argue that.

Mr. METZENBAUM. Would you agree that about 50 percent of the oil prices are up, about 50 percent in the last short period of time? The basic price has gone—are we around $25, $27 a barrel today?

Mr. JOHNSTON. The price is around $20 a barrel.

Mr. METZENBAUM. I thought it was around $14. I was wrong.

Mr. JOHNSTON. The low was around $14. That is right. It has fluctuated. I do not know where it is going to go.

Suppose I believe as you do, that prices are going up, and I have a quan-

tity of gas to sell. What is wrong with my saying OK, I will sell you this gas, contract for it at today's price, say $1.57 or $1.65, whatever price, and if the market price of gas goes up next year, I will sell it to you next year at market. Now, if you tell me I cannot do that, then I am likely to say I will not sell it to you at today's market price. I will want to go above market. Or maybe I will not sell it at all, because I will think that the price is going up. I will withhold from the market.

Now, those are the very kinds of action that we have sought to preclude. In order words, we want to have freedom of contract, we want to have a free and open market, spot prices, gas moving all kinds of different ways on a free and open pipeline, willing sellers and willing buyers. In that way, believe me, the consumer gets the best deal.

And indefinite price escalators, when we used to track the highest rate in the area, where much of your gas was held down at $1.50 in those days and some was selling at $6, of course, it led to ridiculous results. But today, where it is all market price, or relatively all market price, it seems to me that an indefinite price escalator clause could have exactly the opposite effect from that which is intended.

Having said that, I will certainly entertain any language the Senator has, because it is not our purpose here to defend these indefinite price escalators that bring big prices. What we want to do is have a free and open market, which we think is in the best interest of consumers.

Mr. President, I apologize particularly to the Senator from Texas [Mr. GRAMM] who was coming to the floor to make a statement. I said I had only a word or two to say, and this exhange has taken too long. But I would yield the floor, Mr. President.

The PRESIDING OFFICER. Who seeks recognition?

Mr. JOHNSTON. Does the Senator want to vote at this time on the bill?

Mr. METZENBAUM. The Senator wants to eat a sandwich, but I do not think the Senator is quite ready to vote right at this minute.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ADAMS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. Mr. President, I support the Gas Decontrol Act of 1989. I congratulate the distinguished senior Senator from Louisiana and the members of the Energy Committee for their leadership in it, because we need an energy policy and one that cuts back on our dependence on foreign sources of energy. When I look at the continued increase of our dependence on foreign oil, foreign energy, I realize that it hurts our industrial base, it adds to our trade deficit and it hurts our national security.

What we need to do is work to those things that will encourage the drilling for oil and gas in our country. I think what we have before us is a great step for both.

It brings back a lot of memories. I can recall helping lead this fight in 1977, with some of the same principals involved then. I remember Senator METZENBAUM was very much in evidence at that time expressing his point of view and the Senator from Kansas, Jim Pearson. I recall the filibusters that we had as we pushed that piece of legislation through, but passed it through the U.S. Senate. So I have been making a case for decontrol year after year. And I am glad to see this effort being made now that I think is going to be carried to fruition and to success.

Despite the regulatory zeal of the last decade, natural gas is the last major commodity and the only fuel over which the Federal Government controls the price. Continued regulation not only fails to make economic sense, but it hurts both the consumer and the producer.

No other State in the Union has as much natural gas production and as much natural gas consumption as the State I represent. So I understand both sides of that equation, as you try to work out something that is equitable and serves the interests of our country.

Until this Congress, a consensus on how to remove the remaining wellhead gas controls eluded us. It seems that whenever the Senate considers the issue of natural gas pricing, there has been that tendency to pit the consumers against the producers; we are constantly hearing the dark prophesies about how the price of natural gas, if we take it out from under control, is going to go right on through the roof.

Well, maybe the fires are burning a little lower now. The passions do not seem to be quite as high, because we have heard those same arguments and those dire predictions when the price of oil was decontrolled. Now we can see those arguments had no basis in fact. I think the same thing is true about natural gas.

One of the main reasons we have finally reached consensus is the experience we have had over the last several years. It demonstrates that decontrol brings lower prices to consumers, not higher prices, when we are talking about natural gas and when we are trying to promote efficient long-term supply of that kind of energy.

On Janaury 1, 1985, price controls were removed from the so-called new gas pursuant to the Natural Gas Policy Act of 1978. According to the Energy Information Administration, the average wellhead price declined by 35 percent between 1984, the last full year before partial decontrol and 1988. These savings were passed through to consumers. They all gained by it; folks across this country. In the Northeast, where apparently they had the most concern, they have been one of the major beneficiaries of what has taken place.

Between 1984 and 1988, residential rates declined 14 percent, while the reduction was 16 percent for commercial customers and 26 percent for both industrial users and electric utilities.

This bill helps that continue. Fully 94 percent of the natural gas delivered in 1988 was effectively decontrolled. This is because 60 percent was no longer subject to controls, while most of that legally subject to controls actually sold for less than the maximum lawful prices set by the NGPA.

Deregulation will allow natural gas to play a significant role in meeting our future energy needs. The Nation's growing dependence on foreign oil imports endangers our energy security. It is estimated that next year over 50 percent of our oil will be imported while U.S. crude oil exploration is falling at an alarming rate. At the end of 1988, U.S. production was less than 8 million barrels per day—matching the lowest annual rate of production in 25 years, and the rig count is at an abysmal low. We must spur increased natural gas production. This legislation will help increase exploration and production of natural gas.

This legislation is going to help that kind of exploration and its production, and it will help us find new reserves of natural gas that are terribly important. When we are talking about new reserves in natural gas, we are talking about expensive wells. We are talking about deep wells with substantial capital investment. That is why we have to have stability and some more encouragement for that industry. It will bring about: lower prices for consumers, more money for producers, enhanced national security for an American no longer dependent on foreign crude, and a cleaner supply of fuel for the Nation's air and water.

How can you beat it? This is not quite the best deal since we bought Manhattan Island from the Indians. But if we offered the Indians this kind of deal on energy they might have thrown in the whole Northeast—even Boston Harbor.

It is time for Congress to complete the decontrol process started by NGPA and remove all remaining price controls on natural gas. For this

reason I hope my colleagues will join me in supporting H.R. 1722.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I want to thank my distinguished colleague from Texas who, with his usual wit and wisdom, has put his finger exactly on the problem. I think he makes a very good case for this bill. It is not the most important piece of energy legislation ever to be passed by this Congress, if it is passed; and I believe it will be. But it is an important piece of the mosaic and we need to pass it.

I might tell my colleagues, Mr. President, if any of them want to be heard, we have a bit of time here.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kentucky.

Mr. FORD. Mr. President, I am pleased to be a cosponsor of the pending legislation and to have cosponsored with Senator NICKLES the first bill on natural gas pricing in this Congress.

My present position from a consuming State may seem somewhat odd as it did at the time of my active participation in the Natural Gas Policy Act, however, these actions are consistent with what I intended to achieve in the NGPA. The NGPA has taken a lot of abuse but, from my point of view and what I aimed for 10 years ago, it has been a success. The pricing issue is no longer relevant to what I intended and what was achieved by the NGPA.

My whole thrust in 15 years of dealing with the natural gas issue has been to ensure a supply of gas to my State and my region of the country. The dual pricing system had to be destroyed to achieve nationwide gas distribution—this was done.

Pricing to me always has been considered within the more basic supply issue. In this I feel a good deal of satisfaction. Moreover, I believe that complete price decontrol no earlier than January 1, 1993, will further guarantee that if any section of the country has an adequate supply of gas, Kentucky also will have an adequate supply.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

(The remarks of Mr. HELMS pertaining to the introduction of S. 1151 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

NATURAL GAS WELLHEAD DECONTROL ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 144

(Purpose: To provide for reinstitution of price controls in the event of a dramatic increase in the market price of natural gas)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 144.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following new section:

SEC. 3. REINSTITUTION OF CONTROLS.

(a) FREEZING OF PRICE.—On any date (referred to as the "freeze date") that the Commission determines that the composite price of competitive spot market prices of natural gas exceeds by more than 100 percent the composite price of competitive spot market prices as of January 1, 1989, adjusted for inflation. The maximum lawful price for all first sales of natural gas shall be set, commencing the day after the Commission makes that determination, at the composite price of competitive spot market prices as of the freeze date.

(b) ADJUSTMENT OF MAXIMUM LAWFUL PRICE.—After a maximum lawful price has been set pursuant to subsection (a), the Commission shall adjust the maximum lawful price monthly by a factor equal to the change in the Consumer Price Index for each month, to take effect on the first day of the following month.

(c) DEFINITIONS.—For the purposes of this section—

(1) the term "Commission" means the Federal Energy Regulatory Commission; and

(2) the term "composite price of competitive spot market prices" means the composite price of competitive spot market prices of natural gas as determined by the Commission based on prices reported in at least three trade periodicals published at regular intervals by entities not engaged in the business of buying, selling, transporting, or brokering natural gas and not affiliated with any such entities.

Mr. METZENBAUM. Mr. President, this is a very simple amendment.

Mr. President, I ask unanimous consent that my amendment be in order notwithstanding the fact that the two committee amendments have not been adopted.

The PRESIDING OFFICER. Is there objection to the request of the Senator? Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, this is a very simple amendment. It would leave intact the decontrol of natural gas as proposed in this bill but it would provide for emergency recontrol if gas prices double over their levels as of January 1, 1989, adjusted for inflation. In other words, picking a hypothetical figure of $1.50 as of January 1, 1989, and assuming for purposes of discussion a 10-percent inflation impact between January 1, 1989, and the date some future date, that would be $1.65.

The recontrol would then be imposed only if the spot market price again as determined by FERC had gone to $3.30, twice the price as of January 1, 1989, as adjusted for inflation, and then double that amount.

If the average spot price of gas does in fact double as determined by FERC, then the recontrol ceiling would take effect. The ceiling covers all gas produced in this country, and starts out equal to the trigger level—in other words, twice the spot market price in January 1, 1989, as adjusted for inflation. Then at that time, when you get the new price level, assuming it to be $3.30 in the previously explained example, then that $3.30 figure would constantly be adjusted for inflation on a monthly basis.

The arguments for the amendment are simple. The natural gas decontrol is really a debate about natural gas prices. That is what this issue is all about today. We can talk about terminating the need to file certain papers and to get certain other determinations made. But the bottom line is how much is the consumer going to have to pay for natural gas? How high are we going to permit natural gas prices to go, and how much will our constituents have to pay to heat their homes, to cook their food, and to run their factories?

H.R. 1722 is a bill whose solitary purpose is to allow the price of gas in this country to rise unchecked. Explain it as you will, say that it is in order to eliminate some of the filings that have to be made and the hiring of legal counsel, and all of that, but when all is said and done, it has to do with price. Amazingly enough, some of the supporters of decontrol still maintain that decontrol will lower gas prices.

Producers, the administration, and others have argued that decontrol will allow gas sellers to lower their sales prices. I do not expect many producers would do this. The oil and gas industry has pushed this bill hard, and this fast, so that they will be free to raise their prices and send bigger bills to consumers nationwide.

Decontrol at any time is a ripoff of American consumers. Decontrol at a time like this, when there will be upward pressure to push up gas prices, is a scandal. Maintaining some type of price protection, on the other hand, is the only protection that consumers have against the return of sky-high heating bills.

This amendment is in effect a catastrophic insurance policy for the American public. If prices fall, as proponents of decontrol have claimed will happen, or if they stay even, or even if they increase at a modest rate, then this amendment will do nothing more than give natural gas consumers some peace of mind. But if prices skyrocket, shoot up well beyond most expectations, this amendment will provide an upward ceiling on wellhead prices, and keep consumers from intolerable and unacceptable gas bills.

Mr. President, as you know, few in Congress hope and pray as much as I do that gas prices will not rise. But in case they do rise, and rise uncontrollably, we must prepare now to protect consumers from that potential disaster.

As Members of the Senate prepare to vote on my amendment, they must ask themselves one very crucial question: Are you willing to allow gas prices to double? Is decontrol such a good economic theory that it is worth letting prices go up more than 100 percent?

My amendment would permit the price to go up to 100 percent adjusted for inflation. If the answer to either questions previously asked is "no," then I would hope my colleagues would vote "aye" for the emergency decontrol amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. METZENBAUM. Mr. President, I know my colleagues undoubtedly wish to be heard. At the conclusion of that, I would wish to be heard once more, and we will be ready to vote.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, this is a very simple amendment. It is a recontrol natural gas amendment. To be sure, it says that recontrol would occur only upon the price of natural gas going up at 100 percent in excess of the prices as of January 1, 1989.

Mr. President, I do not know where the prices of natural gas are going to go. We tried to project that out in 1978, and when all the fears about prices going up turned out to be not correct we provided at that time, Mr. President, for a price escalator of as I recall, 3.5 percent a month for new natural gas.

That price, if allowed today, would give you a price of about $6 on a thousand cubic feet, which is about four times today's present price. We relied upon the market, Mr. President, and the price went down. Now, what we are saying, Mr. President, is we ought to allow that market now. To go back to a recontrol of all natural gas, Mr. President, would get us in exactly the stew we were in back in 1978. We had cheap natural gas then, but we had no gas. That was what gave us those shutdowns of industry when hundreds of thousands of American workers were out of work, because there was no gas to run their industries.

I do not know whether my colleagues remember that. I am sure the Senator from Ohio remembers, because many industries in Ohio were without gas at that time. That was in the winter of 1975-76. We decontrolled, at least partially, new natural gas. We produced trillions of cubic feet of new gas, and in the process, Mr. President, we got Americans back to work.

Now, what this amendment would say is: Let us find a controlled price, which is below the maximum lawful price allowed today, but we trigger that in only if the price goes up 100 percent. I do not believe the price is going to go up 100 percent, Mr. President. Certainly, on the short-term basis, everything that we know would dictate that it is not going up. But what this would do, Mr. President, is take away some of the incentive for drilling for new wells, because there will be people who drill for new wells, thinking that maybe the price will go up, and maybe it will not; but maybe there is this huge amount of increase in natural gas. When the price of crude oil goes up, perhaps the price of natural gas will go up, and there may be some who would drill wells based on that incentive. And to take away that incentive, without giving anything at all to consumers, would be to get us right back in the pickle we were in.

I will not argue this long, because I think what this amendment is saying is, let us reverse all of this history of the last 30 years, where we found that control of natural gas does not work, and instead of being a decontrol bill, this would be a recontrol bill, and I do not believe this Senate would consider that for a minute.

I will not argue it any longer, Mr. President. I see my friend from Texas, who wanted to speak earlier when I assured him I would be very short in my remarks. He waited around.

I yield the floor to him.

The PRESIDING OFFICER. The Senator from Texas [Mr. GRAMM].

Mr. GRAMM. Mr. President, I have long ago found that this great deliberative body, when somebody tells you he is going to be brief, you may as well go call your mama or take a walk around the park.

Mr. President, the world has been eagerly awaiting this debate. I mean, this is the debate about fundamental issues that will affect the future of mankind. This is a debate not just about setting the price of one product, but if you listen to our dear colleague from Ohio, this is a debate about two fundamentally different economic systems. In fact, the newspapers and television news have been full of this debate, but they have not been full of that debate here in this great deliberative body in this old Capitol.

The world has been waiting for this debate to take place out on that cold tundra with all of those onion-domed churches in the background in the Kremlin. What we are debating here, Mr. President, is not natural gas price deregulation, but perestroika.

Our distinguished colleague from Ohio, I always enjoy listening because he is always consistent, and that is, always consistently wrong about what is going to happen when you let people use their God-given talents in this brilliant system that we call American free enterprise. He is always consistently against economic freedom. I can hear his voice there in the Supreme Soviet, crying out against Gorbachev and his untried and radical ideas. I mean, listen to the words here today and picture them being said in the Kremlin. Gorbachev is being accused of taking away the protection of price control. He is talking about freeing producers to charge any price they want.

Mr. President, these words are ringing today through the Kremlin and, thank God, they are falling on deaf ears there, as they are here. This debate, Mr. President, occurred intellectually 200 years ago; it was won by those who proposed economic freedom, and, God willing, it will be won here today or tomorrow, or however long our dear colleague wants to go on, by those who want to remove price controls on the last item in the American economy that is under price control.

Now, our dear colleague says, if we take these price controls off, prices are going through the ceiling. I am going to do something today I normally do not do, because it is terribly unfair. Can you imagine the unfairness of using a politician's words against him? But our dear colleague did talk about

my dear friend from Louisiana and, I guess, me, by implication, as being stooges of the oil industry. So while it is unfair, I am going to do just a little of it, and I will stop before I am overtaken by the unfairness of it.

President Reagan, on January 28, 1981—I remember it, because I rejoiced in it, it was a great day for freedom—took price controls off oil. So the following day, sure enough, there was the champion of collectivism, of price controls, of government suppression of economic freedom, our dear colleague from Ohio. And he said, on January 29:

> The sad fact is that with one stroke of the pen, President Reagan has put in jeopardy his entire commitment to wring inflation out of our economy. Oil decontrol will immediately add at least half a point and probably something closer to a full point to the rate of inflation.

We all know our dear colleague from Ohio has one of the best staffs in the Senate. I do not know where he gets all these brilliant people from. I wish I had them. Then he does his estimate of what is going to happen because of the stroke of the pen, and he says, "Inflation," he figures, "is going to be between 13.5 percent and 13.9 percent." Now, he admits there could be a little variability there. That is what is going to happen in 1982.

Now, I know the world changed, and they cheated on him again, and it was only 3.8 percent. Then he said:

> Decontrol is inflationary, very much so. But more inflation is not the only negative consequence we can expect. In effect, decontrol means signing away our economic sovereignty.

Then he says:

> There is no free market.

And then:

> That is a prescription for economic disaster. It means capital starvation, economic stagnation, and unprecedented concentration of economic power in the hands of a few big companies.

Now, Mr. President, I can go on and on, but I do not want to belabor this unfair practice of using somebody's words against him. The world changed, and a lot has happened. Oil prices ended up going down, not up. The inflation rate went down because of a change in economic policy, basically.

Mr. President, the issue here is not whether the gas price is going to go up or down, or whether it is going to stay the same because of deregulation. That is not the issue. The issue is, basically, that if we deregulate natural gas prices, natural gas, like oil and other forms of energy and other commodities, produced in the American economy, will trade at a market value set by supply and demand.

And what it means is that we will have a more efficient economy. Nobody knows whether natural gas is going up in price or down in price or if it will stay the same, but we know one thing for certain: it is unlikely to have the price that is arbitrarily set by the Federal Government. And by letting the market system work we unleash the most powerful economic force ever known to mankind, a force that has been discovered in China and Russia; it has not been discovered by our colleague from Ohio, but there is still hope. This battle of perestroika goes on. Its margin is ever marching forward and we will know we have reached the end when this final conversion occurs and our colleague from Ohio comes out for free enterprise and market pricing.

Mr. President, our colleague from Ohio talked about all these consumer groups. I am always suspicious of somebody who wants to speak for the consumers. My belief, Mr. President, is that there has been only one legitimate consumers' movement in the history of mankind, and that is called capitalism. It is the only legitimate consumerist movement in history. All these other groups who claim to speak for consumers by and large are the tools of special-interest groups who prove how phony they are, for example, on issues like trade where they speak out against the interest of the very group that they claim to represent.

I represent 17 million consumers in Texas. They would like to consume more natural gas, especially for industrial purposes. They would like to use more of it to generate electricity. If this bill is adopted, they may ultimately have their chance.

Mr. President, this is not a bold bill. In fact, under the time limit of this bill, if Secretary Gorbachev is successful in the Soviet Union, he will deregulate natural gas before we do. We will be the last bastion of economic regulation of natural gas on Earth, if the students are successful in China and if Gorbachev is successful in Moscow.

But, at least, Mr. President, we are commiting to a timetable that on January 1, 1993, will enable us to throw off this vestige of totalitarianism and let the market system work. And by letting it work, what we will do is encourage the production of a relatively plentiful, relatively cheap, clean burning fossil fuel.

I do not know what it will cost in January of 1993, and anybody who tells you they know, you know they do not know. But I do know this: that our economy will be better off if people have an opportunity to buy it at a competitive price.

Now it may well be that somebody may make a buck, somebody may earn a profit. But I submit, Mr. President, you are not going to turn the wheels of industry and agriculture, you are not going to heat the homes and factories, you are not going to move America forward economically if it cannot be done at a profit. If it cannot be done at a profit it will not be done and if you do not let people make a profit by doing it, it will not be done either.

So the question is: Are we going to get on with the job, or are we going to have a debate that should not be occurring here? This is a debate that makes sense in Moscow. This is a debate that makes sense in Peking, but this debate makes absolutely no sense whatsoever in this great bastion of American capitalism.

So I rejoice that we are adopting this bill, and let me make it clear, Mr. President, that there are a lot of amendments that I would like to offer to this bill. This bill is far from a perfect bill as far as I am concerned. I would like immediate decontrol. I would at least like a provision that says if somebody goes out and drills a new well they can get a free and fair market price for it. I would like to do something about FERC pricing practices related to Canadian gas, to give us a guarantee of fairness in selling on our own market. I would like to do something about FERC abandonment procedures. I would like to debate incentives for producing more energy. I would like to talk about promoting natural gas for clear air purposes.

But, Mr. President, I realize that this is a delicately balanced bill. I am hoping that we will take the provision of the House bill that we left out which was a provision deregulating newly spudded gas.

But, Mr. President, rather than me trying to achieve what I would consider to be perfection in this bill, I am going to support the bill. I am certainly going to oppose this amendment. This amendment flies in the face of everything we have learned in this country for over 200 years.

If this amendment made sense we would be here today imitating the economic system of the Soviet Union. If this amendment made sense the riots would be in Washington, not Peking. People would be rioting out front for Government controls. They would want us to decide where people went to school and what professions we chose and where investment flowed. That would be the cutting edge of the debate.

If this amendment made sense the world would be turned on its head, but the world is not turned on its head, Mr. President, and this amendment makes absolutely no sense and it ought to be rejected.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. McCLURE. Mr. President, I rise in opposition to the amendment and urge all of my colleagues to vote against the amendment when they have the opportunity to do so.

I will be very brief because I think it is pretty easy to summarize my reasons.

One is I do not know what natural gas prices will do in the future, but I do know this, that the potential for rising prices is much greater if the amendment is adopted than if it is not because if the amendment is adopted the speculative forces of those who might go out and drill for gas will be dampened and therefore less gas will be discovered and therefore it is more certain that prices will rise if the amendment is adopted.

If, on the other hand, your motive is to keep gas prices low, then oppose the amendment because without the amendment there will be more exploration, there will be more gas discovered, there will be more gas moved to market and natural competition will keep the prices lower. If you want high prices that you then have to regular, then indeed follow the lead of the Senator from Ohio and ask the Government to regulate because the most direct effect of that regulation will be to regulate on the downside the exploration activities which alone can keep prices low.

I hope the amendment is defeated.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. I thank the Chair.

(The remarks of Mr. BAUCUS pertaining to the introduction of S. 1149 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. METZENBAUM. Mr. President, I have a couple of responses and then I will proceed to final argument.

With respect to my colleague from Texas, I was not sure whether he thought he was in the Kremlin or somewhere in Chinese Square. I think we are on the floor of the United States Senate. I think we ought to just confine ourselves to our concerns about what happens to American people as far as gas prices are concerned.

He made some observations about some things I had said at the time of deregulation of the oil prices by the President. I can only respond to him in two ways. One is, I did not know Iran and Iraq were going to go to war and as a consequence they were going to try to push all the oil they could into the marketplace and the OPEC cartel fell apart and so prices came down. No one knew that. No one could have anticipated that.

But when it comes to predictions as to what is going to happen, I am looking forward to the next great debate we have on the need to implement the Gramm-Rudman-Hollings bill, because I remember hearing what great things that was going to do to help us balance the budget. And the distinguished Senator from Texas told us that that was the open sesame and that, with the Gramm-Rudman-Hollings bill, the world would all be great and we would balance the budget. Since that time I guess we have gone up, I do not know, a trillion and a half dollars, almost $2 trillion. So one has some difficulty around here predicting exactly what will happen.

As is obvious from this amendment, I do not know what is going to happen. I think prices are going to go up. My colleagues suggest they may even go down. It is hard for me to understand why they would be here advocating this bill if that were the case. But my amendment says only that if prices double as of January 1, 1989, that price adjusted for inflation and then doubled and then that price, that doubling price still being adjusted for inflation on a monthly basis, that controls would be put back on natural gas and no gas could be sold at a higher price than that figure.

Well, I do not think that is so unreasonable. If prices are going to stay down, then my amendment would never become applicable. Now, this amendment still allows the tremendous incentive to explore and develop new gas. Because double the current price plus inflation should provide plenty of incentive to drill for new gas. Yet, it would maintain an insurance policy to give consumers the kind of security and peace of mind so that they need not feel that the whole thing could run away.

Let me be frank with my colleagues. There are millions of people in this country affected by what we are doing here on the floor of the Senate today—millions—because the number of residential households that use natural gas in this country is just incredible. In every State in the Union, you find tremendous numbers of residential households using natural gas. And for every residential household about which we are speaking, you are talking about maybe 2½ times that number of people who are affected per household.

In Alabama, 662,000 residential households; in Alaska, 68,000; Arizona, 568,000; Arkansas, 481,000 households using natural gas. California, 7,905,000 residential households using natural gas. Colorado, 943,000; Connecticut, 411,000; Delaware, 83,000; Florida, 445,000; Georgia, 1,237,000; Hawaii, 29,000; Idaho, 105,000; Illinois, 3,170,000; Indiana, 1,250,000; Iowa, 691,000; Kansas, 726,000 residential households using natural gas to heat their homes. Kentucky, 596,000; Louisiana, 952,000; Maine, 12,000; Maryland, 755,000; Massachusetts, 1,083,000; Michigan, 2,453,000; Minnesota, 872,000; Mississippi, 370,000; Missouri, 1,181,000; Montana, 168,000; Nebraska, 400,000; Nevada, 213,000; New Hampshire, 60,000; New Jersey, 1,870,000; New Mexico, 349,000; New York, 3,811,000; North Carolina, 436,000; North Dakota, 84,000; Ohio, 2,649,000; Oklahoma, 809,000; Oregon, 281,000; Pennsylvania, 2,238,000; Rhode Island, 181,000; South Carolina, 302,000; South Dakota, 101,000; Tennessee, 535,000; Texas, 3,156,000 homes using natural gas.

Utah, 414,000; Vermont, 16,000; Virginia, 550,000; Washington, 392,000; West Virginia, 351,000; Wisconsin, 1,054,000; Wyoming, 113,000.

I read those numbers because, as I had discussed this matter with a number of my colleagues, I got the impression that many of them thought that there was not much natural gas actually used in their States. When we take the numbers that I read and multiply that by 2½, approximately the number living in each residential household, we are talking about a tremendous number of people affected by this legislation. And therefore I believe that it is only right that we provide some semblance, some kind of limitation with respect to the price to which natural gas can go before it is recontrolled.

Mr. President, I am prepared to go forward with the vote.

Mr. JOHNSTON. Mr. President, very, very briefly, and then I will move to table and ask for a record vote within the next couple of minutes: This decontrol legislation, Mr. President, affects as of January 1, 1993, about 2 percent of the natural gas in the country. That 2 percent will probably go up slightly in price; an equal or even greater amount of gas is likely to come down in price because of the contract clauses which reference a controlled price and, therefore, make for higher prices under a controlled regime. In other words, Mr. President, this legislation will probably not affect consumers at all by prices going up. It could bring prices down. And we hope it will.

What it will do, Mr. President, will save pipeline companies, local distribution companies, and principally producers, from the huge amount of regulatory red tape so that every time they wish to go enter a sale transaction, they do not have to file an abandonment proceeding in the FERC, a new certificate of public convenience and necessity, or a new rate schedule, every time they wish to respond to the market signals.

Mr. President, this piece of legislation in the House of Representatives went through unanimously. it went through the Senate Energy Committee by a vote of 17 to 2. It has broad consensus from the AGA, from local distribution companies which want low prices, from producers, from pipelines.

Mr. President, this amendment, which I can only say cannot be a serious amendment because it would reregulate all natural gas. I mean, here

we are dealing with the decontrol of the last 2 percent as of January 1, 1993. This amendment would say we go back to regulating all natural gas.

There are all kinds of holes in the amendment which there is no need to go into. I cannot believe that this Senate would for 1 minute want to go back and reregulate all natural gas, considering the debacle which the regulation of natural gas scheme gave this country over a period of many years. It resulted in no natural gas, in shortages, in layoffs at industrial plants, shortages that produced, as my colleagues will remember, hundreds of thousands of layoffs at industrial plants in the cold winter of 1975-76, when gas was not available.

That is why we decontrolled in the Natural Gas Policy Act of 1978. That is why we allowed decontrol to go further on January 1, 1983. And that is why the House has voted unanimously for the last 2 percent to be decontrolled as of January 1, 1993.

Mr. President, I hope we can table this amendment by an overwhelming vote so that we can pass this legislation quickly and get on to the next legislative agenda.

Mr. President, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

There being no further debate, the question is on agreeing to the motion by the Senator from Louisiana to lay on the table the amendment offered by the Senator from Ohio.

The yeas and nays have been ordered. The clerk will call the roll.

Then legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] and the Senator from Massachusetts [Mr. KENNEDY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Oregon [Mr. PACKWOOD] is necessarily absent.

The PRESIDING OFFICER (Ms. MIKULSKI). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 89, nays 8, as follows:

[Rollcall Vote No. 84 Leg.]

YEAS—89

Armstrong	Chafee	Durenberger
Baucus	Coats	Ford
Bentsen	Cochran	Fowler
Bingaman	Cohen	Garn
Bond	Conrad	Glenn
Boren	Cranston	Gore
Boschwitz	D'Amato	Gorton
Bradley	Danforth	Graham
Breaux	Daschle	Gramm
Bryan	DeConcini	Grassley
Bumpers	Dixon	Harkin
Burdick	Dodd	Hatch
Burns	Dole	Hatfield
Byrd	Domenici	Heflin
Heinz	Mack	Roth
Helms	Matsunaga	Rudman
Hollings	McCain	Sanford
Humphrey	McClure	Sasser
Inouye	McConnell	Shelby
Jeffords	Mikulski	Simon
Johnston	Mitchell	Simpson
Kassebaum	Murkowski	Specter
Kasten	Nickles	Stevens
Kerrey	Nunn	Symms
Kerry	Pressler	Thurmond
Lautenberg	Pryor	Wallop
Leahy	Reid	Warner
Lieberman	Riegle	Wilson
Lott	Robb	Wirth
Lugar	Rockefeller	

NAYS—8

Adams	Levin	Pell
Exon	Metzenbaum	Sarbanes
Kohl	Moynihan	

NOT VOTING—3

Biden	Kennedy	Packwood

So the motion to lay on the table amendment (No. 144) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote by which the motion was agreed to.

Mr. COCHRAN. I move to lay that on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Will Senators please take their seats. It is difficult to hear the distinguished manager of the bill.

The Senator from Louisiana, the distinguished manager of the bill.

Mr. JOHNSTON. Madam President, I thank the Chair. I was wondering if we might inquire about further action for the day, whether the distinguished Senator from Ohio has in mind additional amendments, how much time he would think they would take.

Mr. METZENBAUM. The answer is yes. I am not sure of the amount of time. I am perfectly happy for the leadership to adjourn whenever the leadership decides to do so, but I do intend to keep pressing forward.

Mr. JOHNSTON. But the Senator would expect more votes this afternoon?

Mr. METZENBAUM. Yes.

Mr. JOHNSTON. I thank the Senator.

Mr. METZENBAUM. Vote or votes. I am not sure which.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Madam President, I rise today to add my support to those who have already urged the Senate to pass this natural gas decontrol legislation.

Madam President, today, June 8, 1989, is independence day for the natural gas industry, a day on which we could usher in a new era in domestic energy policy. Yesterday, June 7, marked the 35th anniversary of the Supreme Court's Phillips decision that imposed Federal price controls at the wellhead. Our action here today will bring an end to that decision and the regulations, allowing the forces of the free market to prevail.

The legislation before us represents a consensus, a consensus reached after years and years of debate. Amendments attached to the bill now would tear that consensus apart. Those urging amendments do not oppose the principle of wellhead deregulation. They do not oppose the substance of the legislation. Instead, they want to tackle all outstanding natural gas market issues in one piece of legislation.

Madam President, their amendments address difficult and divisive issues. I certainly recognize the existence of those issues, having been a part of these debates for now 14 years, and feel that perhaps the Congress should seek resolution of some of them but not all of them at this time and not in this piece of legislation. This is but a first step, a step that we must and should responsibly take now.

Recently, the Oil Daily reported a surge in the number of rigs drilling for natural gas. According to the Daily, between 40 and 46 percent of the working rigs in the United States are drilling for gas at this time, an increase of between 7 to 13 percent over last summer.

The increase in demand for gas is attributed to the environmental qualities of gas and to the expectation of price deregulation.

Madam President, we must not put these rigs out of business. We must not put the American consumer out of business, and we must not put the American need for clean environmental fuel out of business by defeating that expectation. If we burden this legislation with amendments that is precisely what we will do.

In heaven's name, let us take this first step toward an unfettered gas market on behalf of the consumers, on behalf of the producers, on behalf of American energy policy, pass H.R. 1722 without amendment, and declare June 8 as independence day for the consumers of natural gas and for the natural gas industry.

Madam President, I thank the Chair.

I yield the floor.

Mr. METZENBAUM. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SIMON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Madam President, I am going to vote against the bill before us. I have great respect for my colleague, BENNETT JOHNSTON, who by any gauge is one of the most effective Members of this body. I voted against the Metz-

enbaum amendment because I do not believe we will be doing a wise thing to deregulate gas that is not regulated now. I think for conservation reasons and for other reasons it would not be wise. But I also have to add I see no point whatsoever in deregulating old gas. There is nothing to be gained in terms of encouraging production by deregulating old gas.

So from the viewpoint of conservation, from any viewpoint I just do not see any point in doing that. I see my colleague from Louisiana whom I was just praising a few minutes ago is on the floor now.

I again have great respect for him but I just do not think it serves the consumers of this Nation to deregulate the old gas.

I do that with great respect.

Madam President, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 145

(Purpose: To provide fair refunds to consumers of natural gas who are found to have been overcharged)

Mr. METZENBAUM. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is the Senator from Ohio requesting that the committee amendments be set aside?

Mr. METZENBAUM. Madam President, I ask unanimous consent that the two committee amendments be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes amendment numbered 145.

Mr. METZENBAUM. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following new section:

SEC. 3. REFUNDS FOR OVERCHARGES.

(a) AMENDMENT OF SECTION 4(e) OF THE NATURAL GAS ACT.—The second and third sentences of section 4(e) of the Natural Gas Act (15 U.S.C. 717c(e)) are amended to read as follows: "Where changes in rates or charges are thus made effective, the Commission may, by order, require the natural gas company to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such changes, specifying by whom and in whose behalf such amounts were paid, and, upon completion of the hearing and decision, to order such natural gas company to refund, with interest, the portion of such rates or charges by its decision found not justified. At any hearing involving a rate or charge sought to be changed, the burden of proof to show that the changed rate or charge is just and reasonable shall be upon the natural gas company, and the Commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.".

(b) AMENDMENT OF SECTION 5 OF THE NATURAL GAS ACT.—Section 5 of the Natural Gas Act (15 U.S.C. 717d) is amended by redesignating subsection (b) as subsection (c) and inserting the following new subsection following subsection (a):

"(b) At the conclusion of any proceeding under this section, the Commission shall order the natural gas company to make refunds of such amounts as have been paid, for the period subsequent to the refund effective date, in excess of those which would have been paid under the just and reasonable rate, charge, classification, rule, regulation, practice, or contract, which the Commission orders to be thereafter observed and in force. The refunds shall be made, with interest, to those persons who have paid those rates or charges which are the subject of the proceeding. The Commission shall establish the refund effective date. In the case of a hearing instituted on complaint, the refund effective date shall not be earlier than the date that is 60 days after the date of filing of the complaint or later than 5 months after the expiration of such 60-day period.".

(c) EFFECTIVE DATE.—(1) The amendments made by this section shall not apply to any proceeding under the Natural Gas Act commenced before the date of enactment of this Act.

(2) A proceeding to which the amendments made by this section does not apply by reason of paragraph (1) may be withdrawn and refiled without prejudice.

(d) STUDY.—(1) Not earlier than 3 years and not later than 4 years after the date of enactment of this Act, the Commission shall perform a study of the effect of the amendments to the Natural Gas Act made by this Act.

(2) The study required by paragraph (1) shall analyze—

(A) the impact, if any, of such amendments on the cost of capital paid by natural gas companies;

(B) any change in the average time taken to resolve proceedings under section 5; and

(C) such other matters as the Commission may deem appropriate in the public interest.

(3) Upon completion the study required by paragraph (1) shall be submitted to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

Mr. METZENBAUM. Madam President, this amendment is not nearly as controversial as the previous amendment, because it actually parallels the Regulatory Fairness Act of 1988. That bill became law in the 100th Congress, authored by Senator BUMPERS of Arkansas. That statute changed the Federal Power Act to provide consumers refunds when they are overcharged.

Now, this amendment does no more and no less. It will give every American what they have come to expect from firms they do business with, the right to a refund. If a product has been mismarked or the cashier made a mistake or the credit card company did not properly register payment, we ask for and receive a refund. That is how we do business in this country, except when it comes to gas pipelines.

Now, when FERC finds that an interstate gas pipeline has been charging rates that are too high, it can lower those rates for the future. Everybody would agree that that is fair. If they find the rates are too high, they have a right to order the rates to be reduced. Unfortunately, by a quirk in the law, FERC is now powerless to require a refund for the time period when unfairly high rates were in effect. So, if the pipeline litigates the matter for weeks or months or years, they gain the over charges during that period.

Now, my amendment would only change that by giving FERC the authority to provide for those refunds, and after all, it seems to me that is only fair. We do it with respect to electric utilities; we ought to do it with respect to gas companies. This regulatory unfairness had been the case on the electric side before we passed the Regulatory Furnace Act last year. For gas FERC's staff and customers can be involved in litigating the rate decrease against the overcharging pipeline for long periods of time. I am informed that many of these cases drag out and that they average about 2 years.

Now, during that period of time, the pipelines get a windfall. They get the right to collect and keep their unjustly high rates and never have to refund the overcharges. Nothing in this legislative proposal would provide that FERC has to do anything different than they presently do, but it would give FERC the right to order a refund of the overcharge that occurred during the period of time that the litigation had occurred.

Unfortunately, that is happening too often in the gas industry. As a matter of fact, these overcharges have come about in some instances by reason of more latter day, lower interest rates and lower corporate income tax rates, so that the pipelines were permitted to overcharge. I honestly do not believe that the pipelines, if they were seated here on the floor, would oppose this amendment, because it is totally fair; there is nothing cute about it.

It merely follows the approach that we passed with the Regulatory Fairness Act last year. But there is not any reason to give a pipeline an incentive

to continue to collect its unearned rates, while dragging out the litigation for years. We cured it in the past with respect to the utilities industry. We should clarify it now with respect to the natural gas industry.

As a matter of fact, the Supreme Court has always viewed rate-making sections in the Natural Gas Act and Federal Power Act as substantially identical. There have been any number of cases to that effect, in which the court has said, "Construction of one were authoritative for the other." That is the case of *Arkansas and Louisiana* v. *Hall*, 453 U.S. 571. That is no longer the case.

There was a circuit court of appeals case that made a distinction between gas company cases and electric utility company cases. I do not think it was ever intended to create such a distinction when we passed the Regulatory Fairness Act. We must cure this anti-consumer problem for the gas industry as well. I think it is only fair. I have discussed with the managers of the bill whether or not they might see fit to accept this amendment, and I do not think that they find it that objectionable. At least I did not get that from that response, but I think they are somewhat concerned that if any amendments are accepted to this bill, somehow it may jeopardize the possibility of bringing it to final passage in the House. I am prepared to go forward.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The manager of the bill, the Senator from Louisiana.

Mr. JOHNSTON. Madam President, I did not mean to give my dear friend from Ohio the impression that we found no vice in this amendment. I was wondering, if we would go along with this amendment, if this would be his last amendment, and I thought we might really consider it, recognizing that it might be dropped between here and conference, under that circumstance, if he would make this his last amendment; and he said, in fact, it would not be his last amendment. So we do find vice in this amendment.

Madam President, ratemaking is a very complicated part of the Natural Gas Act.

Let me just say that this amendment is a bad amendment. It deals with section 5 and what is called the filed rate doctrine. That has been part of the law since 1938 and so far as I know there has been no move by any consumer groups or any groups whatsoever to change this up until the present line.

The reason for that is this. By the way, we are talking about sales here between local distribution companies and pipelines. Those are subject to regulations by the FERC. Before there can be a rate for a sale between a pipeline and a local distribution company, it must be declared to be just and reasonable by the FERC.

There is a procedure for that. There are hearings. There is a right to appeal. And once that is declared to be just and reasonable, then it goes into effect. Before there is a just and reasonable determination under the present law, the Commission suspends the rate for 5 months. Thereafter, it goes into effect subject to refund and, as a matter of fact, let me just read the provision of law:

> Pending such hearings and decision thereon, the Commission, upon filing with such schedules and delivering to the natural gas companies affected thereby a statement in writing of its reasons for such suspensions, may suspend the operation of such schedule and defer the use of such rate classification or service, but not more than a period of 5 months.

So they suspend it for 5 months and beyond that time, they may require a bond for the refund.

So, in effect, you have this power right now where it is a new rate for a sale which has not been declared to be just and reasonable; after it has gone through the process, it has already been subject to hearings, briefs, and the right of appeal. It is what we call in the law res judicata.

So, Madam President, this situation is taken care of under the Natural Gas Act of 1938 as amended. It has been the law of the land for 51 years. It has never been sought to be amended prior to this time.

Where did this amendment come from? I think in fairness that the Senator took this amendment virtually verbatim from another situation involving wholesale sales between electric utilities or between two sets of utilities. Those are different because under those situations you do not have a sale that has been declared to be just and reasonable, nor do you have the power to suspend rates or require a bond.

While this was needed, and I voted for this kind of language in a separate context involving sales between two electric utilities, involving a nonregulated situation, this situation is different and is already covered in the first instance by a requirement for just and reasonable determination and if there is no such determination, no such procedures having been followed, then it is subject to refund.

So, while the intent of the Senator from Ohio is good, upsetting 51 years of law when no one else has asked for it, no consumer group, no one, I think would be the wrong thing to do and is completely unnecessary.

At the proper time I will move to table, but not before I give my colleagues a chance to comment.

The PRESIDING OFFICER. The distinguished ranking minority member managing the bill is recognized.

Mr. McCLURE. I thank the Chair.

Madam President, I rise in opposition to the amendment. In addition to what the distinguished chairman of the committee has said about the merits of the proposal, I want to draw just two or three other points. I will not repeat all that he has said. But I do want to repeat one thing he has said and stress it.

While we last year did pass a bill dealing with rate regulation with respect to the electric industry, the situations are not identical. This bill has to the best of my knowledge never been presented to us for even consideration, either in the markup of this bill or in any other context with relation to the natural gas industry.

I believe that the differences between the natural gas industry and its regulatory framework, the differences between that and the electricity industry and the wholesale exchanges that were the subject of legislation last year, which I gather many others supported, certainly does indicate the need for hearings and a constructive look at the differences as well as potential need which I think is probably not there but nevertheless could be considered if it were handled in the ordinary course of the legislating process.

I would point out, too, that even though a bill was passed last year, it was passed after a substantial modification that came about as a result of the hearings and the discussions in the committee. That is precisely why you have hearings and precisely why you have a committee to look at the technical issues that cannot be discussed or even given rational consideration in attempting to legislate in this manner.

For that reason I am certainly opposed to the adoption of an amendment without ever having had even the most cursory examination by the committee that has the responsibility and again make the point that the natural gas industry is not sufficiently parallel with the electric industry that you can simply bootstrap from hearings and legislation dealing with the electricity industry into the natural gas industry. Therefore, I do oppose the amendment.

Mr. NICKLES. Madam President, will the Senator yield for a question?

Mr. McCLURE. I would be happy to yield.

Mr. NICKLES. When we had 31 days of hearings dealing with natural gas several years ago, when we considered a lot of amendments, I do not remember having this amendment. Correct me if I am wrong, but I am perceiving this amendment to be in effect basically retroactive ratemaking, with refunds which could be enormously disruptive to the entire industry and to consumers as well.

Mr. McCLURE. Let me answer the Senator in this way: First of all, I would understand it on a cursory examination to be exactly as described by the Senator from Oklahoma. But, the Senator is correct. I think in all of the hearings that we had this subject was never raised. I do not think we have ever been asked to look at this particular proposal before.

Mr. METZENBAUM. Madam President, will the Senator from Idaho yield for a question?

Mr. McCLURE. Surely, I would be happy to yield.

Mr. METZENBAUM. Is it not a fact that the Senator from Idaho knows that when this matter was before the committee the Senator from Louisiana and other Senators were gung ho, they wanted to move the bill rapidly? The Senator from Ohio had 31 amendments that were circulated to the committee at that time. The Senator from Louisiana indicated he wanted to move. The Senator from Ohio can count and knew he could not pass them in that committee, which was gung ho for this bill, and did not see fit to offer them.

But for the Senator from Idaho to now come on the floor and say that because I did not offer it therefore it should not be considered, I think it is a little bit unfair.

Mr. McCLURE. I would respond to the Senator from Ohio. I understand the point that he is trying to make. That was just 1 day and one instance. We have had natural gas decontrol. The Senator and I sat along with others for a 2-year period a few years ago trying to forge something in natural gas decontrol. I do not recall this subject matter having been discussed in any part of that 2-year period.

Mr. METZENBAUM. Madam President, if I may respond, the fact is that the bill having to do with the electric utility industry did not pass until I think it was last year and so this bill is merely following the format of that piece of legislation which provided for refunds in the event of and for the time delay in which a case is pending. For the life of me, I do not understand why there is opposition. I do not understand.

Is the Senator saying to me that if a case is pending and the company has overcharged and FERC has the right to order decreases in rates in the future in order to make up for that overcharge but they cannot order a retroactive refund—is that what the Senator is saying?

Mr. McCLURE. Madam President, will the Senator yield?

Mr. METZENBAUM. Sure.

Mr. McCLURE. Just because we passed legislation dealing with the electric utility industry and the wholesale rate exchanges or sales does not mean that the same mechanism is appropriate to the natural gas industry.

We have never looked at that issue so far as I know, and I am not trying to say, well, you should have, on that day we had it in the committee, offered the amendment. I understand what was done that day as does the Senator from Ohio.

But it has not, in my memory, been discussed at any point, nor raised as an issue at any point in the discussion of the natural gas industry. I think the industries are sufficiently different and the regulatory scheme is sufficiently different that you must give parties the opportunity to hear the proposal and respond and make their comments before you attempt to legislate.

Mr. METZENBAUM. The Senator from Ohio's amendment is not a mandatory one. It merely gives FERC the authority if it, in its judgment, thinks it should be done, to order a refund for the period during which the litigation occurred.

Now, it was not an issue in years past because gas rates were going up and there was not any basis to expect a refund. Today, or in the interim period in the last several years, we have seen gas rates come down. I expect they will go up. But if there is a situation in which there is an overcharge, I do not know how you can stand on the floor and be opposed to giving FERC the authority to order a refund. I just do not understand that.

Mr. JOHNSTON. Will the Senator yield?

Mr. METZENBAUM. Yes.

Mr. JOHNSTON. I have two points. First, the committee has never considered or was in no position to hold hearings on this legislation because it was never introduced. I suppose it was part of those 31 amendments which we never discussed in committee because the Senator did not bring up his amendments. I am glad he did not and he knew if he had the amendments would have been defeated.

Nevertheless, he did not introduce it as freestanding legislation. There is no record whatsoever. There is not the first word of testimony on this issue, and there ought to be. It overturns 51 years of settled law upon which parties have relied.

Now, the fundamental difference between this and the electric industry is that in wholesale electric rates there was no initial just and reasonable determination. In this situation, there is an initial rate for a sale with a just and reasonable determination. That is the whole procedure. I think the Senator understands those procedures. If you sell at the rate already determined to be just and reasonable, then there should be no retroactive refund.

Now, there is provision for retroactive refunds in the event it has not initally been found by the Commission to be just and reasonable.

Mr. METZENBAUM. No; I take issue with the Senator. There is no provision for a refund in the event it has been found to be unjust and unreasonable. There is no basis. That is the whole basis of the amendment. FERC cannot order the refund.

Mr. JOHNSTON. No. Initially, if there is no just and reasonable determination—the Senator understands what the just and reasonable determination is.

Mr. METZENBAUM. Yes.

Mr. JOHNSTON. In other words, it is a formal proceeding in which all parties can be heard, in which there are hearings, there are briefs and the commission will then make a determination that such and such price is just and reasonable. It is a judgment of the FERC, appealable to courts.

Now, once that price is set, then the present law provides that it may be attacked by anybody, including the FERC on its own motion, by a third party intervenor, by a citizens group, by Ralph Nader, by whoever. They can come in and attack that. And if they can show there is changed circumstances, they can change that just and reasonable rate.

But in that instance where they relied upon a judgment of just and reasonable, there is no retroactive refund.

Now, in the event that the first sale did not go through the just and reasonable determination—in other words, there has been no price set by the commission—in that event, there is not only a retroactive refund but it can provide for a bond for a retroactive refund. So the consumer is protected. And that, I would submit to the Senator, is the reason that no group, so far as I know, in 51 years, has ever tried to change this doctrine up until today.

Mr. METZENBAUM. If I may say to my colleague, we are talking about refunds that are prospective from the date that the pipeline is put on notice that the rates are too high. We are not talking about retroactive refunds. So we are not talking about violating the filed rate doctrine.

What we are talking about is a case is pending. FERC looks at the facts and comes to the conclusion that the rates are too high and the whole issue is argued before FERC during that entire period.

Now if they decide that the rates are too high, why in the world should the pipeline be permitted to charge the excess?

Now, I do not know anything about the 51 years and I do not really care about the last 51 years, I am worried about the next 51 years. Just because it was not done yesterday does not mean—there was no FERC 51 years ago, I might say. It is not really that old.

Mr. JOHNSTON. The Federal Power Commission.

Mr. METZENBUAM. Yes, but that was operated under different rules.

Mr. JOHNSTON. No; this part of the law, this section 5, it was unchanged by the Natural Gas Policy Act.

Mr. METZENBAUM. I am not disputing that point. But what I am saying to you is, I do not understand why the Senator is opposing this. I can understand the Senator opposing the previous amendment. I understand the substantive nature of it. In this, we are just talking about equity. We are only saying that FERC has the right to do it. We are not saying FERC has to do it. We are saying that if FERC comes to the conclusion there should be a refund that they just do not make the refund prospective but have a right to order the refund based upon how much has been overcharged in the past.

Mr. JOHNSTON. May I ask the Senator a question? Does he know of any case, any consumer that has been ripped off by failure to have this position? Or, put it another way, is there any evidence whatsoever that the Senator can point to of the need for this amendment?

Mr. METZENBAUM. The issue has only arisen recently since prices are going down. They went down the last couple of years as we have talked about previously. So that when prices were going down, that is the only time the issue came up.

Although I do not know all of the cases that were decided before FERC, I can only say if it is right, put it in the law. If there is no applicability to it, what have you lost? What have you lost by giving them that authority?

I just hope the Senator would see fit to accept the amendment rather than making a big to-do about it.

Mr. JOHNSTON. Madam President, I think the main argument against this amendment was just established. I asked my dear friend from Ohio: Was there any evidence whatsoever to which he could point of the need for this amendment, a provision of law which has been on the books for 51 years, governing the whole industry? And I asked the Senator: Has there ever been any case, any evidence whatsoever, of the need for this amendment?

The Senator says, in fairness, "No, that the situation under which this amendment would come into being has only arisen lately because up until recently prices were always going up instead of down and therefore this situation would not have arisen."

First of all, I would tell the Senator that a downward direction in prices is not necessarily the only situation in which a reexamination of just and reasonable price might be needed.

However, Madam President, prices have been going down steadily for about 4 years now. Surely 4 years is time enough to get a body of evidence of the need for this kind of amendment if it existed. Indeed, if there was such evidence, surely there are groups out there, consumer groups or whatever, who could at least write us a letter on the Energy Committee or at least complain to Ralph Nader or the Citizens Labor Coalition or someone and say, "Give us some relief." Surely there would be that evidence.

Madam President, we are dealing with a very complicated section of the law where there are thousands of producers and pipelines and LDC's, local distribution companies, and others who rely upon the certainty of the law. The law must be just, but it also must be certain. And for us to come in here on a Thursday afternoon and undo 51 years of settled law based on no record, no evidence, and just say, "Well, in the Energy Committee the other day, we passed some similar legislation dealing with electricity. It must have been good if the Energy Committee passed it, and it dealt with electricity. If it is good for electricity, it must be good for natural gas." That kind of reasoning, Madam President, just does not wash.

Because there is a fundamental difference in the regulatory scheme for electricity, which did not involve the original determination of just and reasonable rates, and natural gas, which did involve that original determination.

So I think the case is made, Madam President. I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. In response to my friend from Louisiana, I find that there are at least two cases we know of, one is called ANR—I do not know what that stands for. The other is called Bear Creek Storage. They are pending. They have been dragged out for years. And I am told there are other cases presently at FERC to which this principle would apply.

Without this amendment, FERC would not have authority to order a refund. With it, they would if they deemed it the right thing to do. So I would say that there are cases, but I did not know the name previously. I have told my colleagues of two. I am told there are many, many others. There are a lot of companies. The companies are dragging them out knowing full well cathat they are never going to have to make a refund and that is all this matter is about.

Mr. JOHNSTON. Madam President, I think our argument is made. I would therefore move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

There being no further debate, the question is on agreeing to the motion by the Senator from Louisiana to lay on the table the amendment offered by the Senator from Ohio.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] and the Senator from Massachusetts [Mr. KENNEDY] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Indiana [Mr. LUGAR] and the Senator from Oregon [Mr. PACKWOOD] are necessarily absent.

The PRESIDING OFFICER (Mr. GORE). Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 53, nays 43, as follows:

[Rollcall Vote No. 85 Leg.]

YEAS—53

Armstrong	Ford	McConnell
Bentsen	Fowler	Murkowski
Bingaman	Garn	Nickles
Bond	Glenn	Nunn
Boren	Gore	Robb
Boschwitz	Gorton	Rockefeller
Breaux	Gramm	Roth
Burdick	Hatch	Sanford
Burns	Hatfield	Shelby
Byrd	Heflin	Simpson
Chafee	Helms	Stevens
Cochran	Hollings	Symms
Conrad	Johnston	Thurmond
Danforth	Lott	Wallop
DeConcini	Mack	Warner
Dixon	Matsunaga	Wilson
Dole	McCain	Wirth
Domenici	McClure	

NAYS—43

Adams	Harkin	Mikulski
Baucus	Heinz	Mitchell
Bradley	Humphrey	Moynihan
Bryan	Inouye	Pell
Bumpers	Jeffords	Pressler
Coats	Kassebaum	Pryor
Cohen	Kasten	Reid
Cranston	Kerrey	Riegle
D'Amato	Kerry	Rudman
Daschle	Kohl	Sarbanes
Dodd	Lautenberg	Sasser
Durenberger	Leahy	Simon
Exon	Levin	Specter
Graham	Lieberman	
Grassley	Metzenbaum	

NOT VOTING—4

Biden	Lugar
Kennedy	Packwood

So the motion to lay on the table amendment No. 145 was agreed to.

Mr. JOHNSTON. I move to reconsider the vote by which the motion was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will come to order.

Mr. SIMPSON. Mr. President, while deliberations go on with regard to the bill, let me make a few brief remarks about the bill. I have not done so in

the debate. Five minutes certainly would be appropriate although I know there is no time limit, but that would give everyone a sense of confidence as I speak!

I think we have to remain focused on just what it is we are trying to do. This Senate, by this bill, is not reopening the entire policy debate that we had in 1978 with the Natural Gas Policy Act when we deregulated the price for the majority of the natural gas that this country produces.

At that time, we argued—boy, did we argue—about deregulation, we argued about free markets, we argued about consumer rights and about the profit motive, and our trust of those in the industry and the mentality of the natural gas producers. We dealt with all of that. And then we decided to deregulate most of the gas in this country. Consumers have not suffered since that time. In fact, consumers have ended up paying more money for the categories of gas that are still regulated than they would have paid if the free market system was working and market prices had been charged for the product.

Now, where were the defenders of consumers during the last couple of years when this was the situation? Were they defending consumers? No, they were not. They were not defending the consumers of America because that is not the issue here, and none of us in this body, those of us from producing States or not, would purposely legislate to stick it to the consumers of America, because those consumers also have another title in our unique parlance. They are called constituents. They are people who vote for us and people we represent.

In 1978 this country agreed to supply and demand, and they agreed it works. It works in our economy, and this economic system should be allowed to work for our natural gas industry. Certain categories of gas—old gas, stripper gas—were still subject to the controls, but now it is time to deregulate all of the natural gas prices.

None of us know what will occur, obviously, on down the road, if prices will soar or if they will plummet. We find that terrible inconsistency with regard to crude oil in the producing States. If any of us could do that type of divining, we would certainly not have permitted the bust which came to my State and the States of others, that hit all of us in the producing States in 1986.

No one can predict what will happen to prices or what will happen to the demand for natural gas, if it is controlled or decontrolled. What we do know is that in the last 11 years the free market system has worked very well as it has established the prices for the majority of the gas that is produced in this country. It is not always as high as the producers might like but it reflects the market, and that is something I think all of us would deal with and appreciate and respect. I do not say this because the producers in my State are bashing my door down for this bill, because they are not. Indeed, they are not, because Wyoming mostly has new gas, so described, gas that has already been deregulated.

I say this because I have watched and observed our natural gas industry, and I can see economic trends. I hope to see what works and what does not work, and who is affected and if they are adversely affected. I do not see the people in this Nation are going to be adversely affected by allowing the free market to establish the prices for the remaining tiers of gas that are still controlled.

So, Mr. President, I hope we can go beyond all of these amendments and this unnecessary delay. It is clear that the vast majority of the Senators from every area of this Nation support decontrol. I certainly hope that we might see that happen in short fashion here, and get on with the other serious issues of the day.

This bill passed rather overwhelmingly in the House. There is no real reason—there may be other reasons—but no real reason why it should be delayed. I suggest that the sooner we close off the activity and move on with it, we will have put out of commission an absurd situation. When we deregulated crude oil nothing bad has happened. Under natural gas deregulation, we will finish this and we will have the same result. We will always be attentive to the consumer. We never fail to do that. That is probably one of the things we do here with the greatest of skill—protect the consumers.

So I urge my colleagues to produce the legislation, and I thank the Chair.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The senior Senator from Nebraska is recognized.

Mr. EXON. Mr. President, as one who has fought for years to protect natural gas consumers I must express reservations about H.R. 1722, the Natural Gas Wellhead Decontrol Act. I also have misgivings about the speed with which this bill has moved through Congress. We have seen decontrol legislation sail through the House with almost lightening speed and the Senate is not far behind.

Since 1978, the decontrol of old gas has been considered a dangerous and expensive proposition to those of us looking out for gas consumers. And for years we were able to preserve the deal that was struck in the Natural Gas Policy Act of 1978 that created old and new gas. Unfortunately, it appears those days are over.

This measure is better in some respects than previous attempts in this area. It obviously has been written to better conform with what many of us have worked for to protect consumers. My eventual vote on final passage will be dependent upon how well the Senate in debate seriously addresses some questionable issues.

The price fly-ups predicted under partial decontrol have not materialzed as many within the industry predicted. And most industry experts now predict, as a practical matter, that passage of this bill will have less impact on the nationwide average price of gas in the next decade than other market factors.

Those projections, however, do not make gas decontrol any easier to swallow. Without producers clamoring for decontrol, the likelihood is slim that the Senate will revisit other natural gas issues in a meaningful way for years to come.

Producers, pipelines, distributors, industrial users, and end-use consumers each have different fish to fry in this debate. They all have a legitimate point of view. This bill and the one passed by the House satisfy most of those groups, but they fail to resolve a number of contentious issues. Of primary concern to me is the manner in which gas pipelines renegotiate contracts in anticipation of decontrol.

While the bill provides roughly 3 years for negotiations between pipelines and producers, it is silent on the treatment of several contractual problems that threaten some Nebraska gas consumers. If everyone's crystal balls had been better, I doubt those contracts would ever have been signed. But lots of them were signed all across the country during the energy crisis of the 1970's and now they could come home to roost.

I intend to support modifications to this legislation which would address those contract problems. Improvements to the bill are justified.

I urge my colleagues to take a careful look at all of the amendments that are offered.

I thank the Chair. I yield the floor.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the

Senate proceed to executive session to consider the following nominations: Calendar Item 163, Bryce L. Harlow, to be a Deputy Under Secretary of the Treasury; Calendar Item 164, Kenneth W. Gideon, to be an Assistant Secretary of the Treasury; Calendar Item 165, Gerald L. Olson, to be an Assistant Secretary of Health and Human Services; and Reggie B. Walton, to be an Associate Director of National Drug Control Policy, reported today by the Committee on the Judiciary.

I further ask unanimous consent the nominees be confirmed en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table en bloc, and that the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF THE TREASURY

Bryce L. Harlow, of Virginia, to be a Deputy Under Secretary of the Treasury.

Kenneth W. Gideon, of Virginia, to be an Assistant Secretary of the Treasury.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Gerald L. Olson, of Minnesota, to be an Assistant Secretary of Health and Human Services.

EXECUTIVE OFFICE OF THE PRESIDENT

Reggie B. Walton, of the District of Columbia, to be Associate Director for National Drug Control Policy.

STATEMENTS ON THE NOMINATION OF REGGIE B. WALTON

● Mr. BIDEN. Mr. President, this morning, the Judiciary Committee approved—without dissent—the nomination of Judge Reggie B. Walton to be the first Associate Director for State and Local Affairs in the Office of National Drug Control Policy—the so-called drug czar's office.

Mr. President, when my colleagues and I wrote the drug director statute, we created a national drug director, who is responsible for writing a national drug strategy. We did so because the drug crisis is one of the few problems that is truly national and international in scope, but primarily local in impact.

That's why my colleagues and I created the Associate Director's position—to ensure that the views and expertise of State and local officials are reflected in the national strategy.

The position to which Judge Walton goes is entirely new, and his actions will set precedents that guide the actions of his successors for years to come. Because this office is new, I believe that the committee's responsibility in reviewing this nomination was twofold:

First, to determine whether Judge Walton, based on his background and experience, is the right man for this job; and

Second, I wanted to establish clearly what Congress intended for that job to be.

Regarding the first issue, I think Judge Walton is qualified to hold this position. He has extensive practical experience—as a local public defender, prosecutor, and trial judge. And he has demonstrated his concern about the local impact of drug abuse by playing an active role in community drug-fighting efforts in the District.

As I stated at the outset of the hearing, I think Judge Walton's job entails three basic responsibilities:

First, to ensure that State and local officials have input into the development of the national strategy; second, to make sure that the Federal Government is a reliable partner in the national campaign against drugs; and third, to challenge State and local governments and the private sector to do more to fight drugs.

Based on Judge Walton's responses to oral and written questions, I believe that he has a similar understanding of the job. In response to my written question, Judge Walton stated:

> Based on my discussions with Dr. Bennett, I can tell you that I will play an integral role in drafting the national strategy. My task will be to bring the expertise and knowledge of State and local officials to bear on the strategy so that their views are represented. Dr. Bennett and I believe that these State and local officials have the real hands-on expertise on this issue and it would be foolish to neglect their input.

On substantive drug policy matters, Judge Walton's answers were—understandably—vague. It would be unreasonable to expect Judge Walton to make recommendations or commitments on specific programs before he takes office. I do expect, however, that in developing the first national strategy, Judge Walton will identify specific programs work, how much they will cost and how long it will take to put them in place for each of the major State and local components of the national strategy.

Finally, I was encouraged about Judge Walton's statements on the staffing of his office. As I stated in the hearing, I am concerned about the initial budget request that Dr. Bennett submitted to Congress. The request called for 64 full-time positions; however, only 14 positions were earmarked for the two deputies and associate director combined, which could seriously hinder the ability of the deputies and associate director to be actively involved in the drafting of the strategy.

Judge Walton told the committee that Dr. Bennett indicated that he would allocate 13 or 14 staff positions to the Associate Director's Office, which should provide sufficient staffing. In addition, Judge Walton stated that he was seriously considering using his authority to accept detailees from State and local agencies to work in his office, which would not only provide direct State and local input into the office, but also bolster the experience and expertise of the staff in his office.

Judge Walton has been nominated to one of the most important positions in the Federal Government. The success of the drug director statute will largely rest on his ability to forge a partnership between Federal, State, and local governments in fighting drugs. And I pledge my full support to Judge Walton and Dr. Bennett in making this new office achieve this goal.

Based on the committee's review of Judge Walton's background and experience, and on his responses to extensive oral and written questions, I believe that Judge Walton is qualified to lead this office and urge my colleagues to vote in favor of Judge Walton's nomination.●

Mr. THURMOND. Mr. President, I rise today to voice my strong support for Judge Reggie Walton, President Bush's nominee to be Associate Director for National Drug Control Policy.

Judge Walton received his bachelor of arts degree from West Virginia State College in 1971. In 1974, he graduated from American University, Washington College of Law. From 1974–76, he served as a staff attorney with the Defender Association of Philadelphia. Judge Walton then served as an assistant United States attorney for the District of Columbia from 1976–81. He has served as an associate judge for the Superior Court of the District of Columbia since 1981.

As Associate Director, Judge Walton will head the Bureau of State and Local Affairs. In this capacity he will be required to provide high-level attention to the needs and views of State and local drug control officials. This requirement will be particularly important in preparing the State and local component of the national drug control strategy.

Mr. President, the task of strengthening and fostering the cooperation needed among all agencies involved in drug enforcement will not be an easy one. I am confident, however, that with the President's nomination of Judge Walton, the office of National Drug Control Policy will have the experience of an individual who will be of tremendous assistance in accomplishing this endeavor.

I feel that Judge Walton will serve with distinction as Associate Director for National Drug Control Policy and I urge my colleagues to vote for his confirmation.

LEGISLATIVE SESSION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIRECTING THE SENATE LEGAL COUNSEL TO TAKE CERTAIN ACTION

Mr. MITCHELL. Mr. President, on behalf of Senator DOLE and myself, I send to the desk a resolution directing the Senate Legal Counsel to provide representation for the acting Public Printer and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 143) directing the Senate Legal Counsel to represent the acting Public Printer in the Honorable Alcee L. Hastings, United States District Judge v. The United States Senate, et al.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, Senate Resolution 141, which was agreed to by the Senate on June 2, 1989, directs the Senate Legal Counsel to represent the Senate, the Impeachment Trial Committee, and the Secretary of the Senate in Judge Hastings' action in the District Court for the District of Columbia challenging the impeachment proceedings against him. Judge Hastings has also named the Acting Public Printer as a defendant to enjoin him from printing the committee's proceedings. Judge Hastings is additionally requesting an injunction against the printing of any proceedings that are conducted before the full Senate on Impeachment articles I through XV and XVII.

The Acting Public Printer has requested that the Senate authorize the Senate Legal Counsel to represent him in this action, together with the Senate defendants, as the Government Printing Office's sole function in this matter is to support the Senate in any printing that it requires for the pending impeachment. This resolution would provide that authorization.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution (S. Res. 143), with its preamble, reads as follows:

S. RES. 143

Whereas, in the case of *The Honorable Alcee L. Hastings, United States District Judge v. The United States Senate, et al.*, No. 89-1602, pending in the United States District Court for the District of Columbia, the plaintiff has named as defendants the Senate; the Impeachment Trial Committee that has been appointed pursuant to Senate Resolution 38, 101st Congress, and Rule XI of the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials; Walter J. Stewart, the Secretary of the Senate; and Joseph E. Jenifer, the Acting Public Printer of the United States;

Whereas, by Senate Resolution 141 of the 101st Congress, the Senate has directed the Senate Legal Counsel to represent the United States Senate, the Impeachment Trial Committee, and the Secretary of the Senate in this action;

Whereas, the complaint states that the plaintiff will be seeking an injunction to restrain the Acting Public Printer "from printing or distributing any records, transcripts, orders or reports submitted by or on behalf of the Impeachment Trial Committee or, with respect to Article I through XV and Article XVII, by or on behalf of the Senate";

Whereas, the Acting Public Printer has requested that the Senate authorize the Senate Legal Counsel to represent him in this proceeding together with the Senate defendants;

Whereas, pursuant to section 708(c) of the Ethics in Government Act of 1978, 2 U.S.C. 288g(c) (1982), the Senate may direct the Senate Legal Counsel to perform such other duties consistent with the statutory authority of the Senate Legal Counsel as the Senate may direct; Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Joseph E. Jenifer, the Acting Public Printer of the United States, in the case of *The Honorable Alcee L. Hastings, United States District Judge v. The United States Senate, et al.*

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. McCLURE. I move to lay that motion on the table.

REFERRAL OF JOINT RESOLUTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that calendar item number 61, Senate Joint Resolution 135, which establishes the National Commission on Human Resources Development, be referred to the Committee on Labor.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

EXTENSION OF TIME ON CERTAIN PROJECTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar item number 72, S. 750, a bill to extend the time limitation of the development for certain hydroelectric projects.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 750) extending time limitations on certain projects.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 146

(Purpose: To extend the deadline for the development of a certain licensed hydroelectric project in Washington)

Mr. McCLURE. Mr. President, on behalf of Senators GORTON and ADAMS, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE], (for himself, Mr. GORTON, and Mr. ADAMS), proposes an amendment numbered 146.

Mr. McCLURE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, line 6, and on page 2, line 5, insert "2833," between the word "numbered" and the number "4204";

On page 2, line 2, before the word "section", insert "such"; and

On page 2, line 19, before the word "under", insert the following: "concerning projects 4204, 4659, and 4660".

Mr. GORTON. Mr. President, today I rise together with my colleague from Washington State, Senator ADAMS, in offering an amendment that would authorize the Federal Energy Regulatory Commission [FERC] to extend the deadline, under the Federal Power Act, for the commencement of construction of the Cowlitz Falls hydroelectric project on the Cowlitz River in Lewis County, WA. The project has an authorized generating capacity of 70 megawatts and is expected to produce an average of 261,000 megawatt-hours of electric energy annually. At that rate the project would save the equivalent of about 428,600 barrels of oil or 120,800 tons of coal per year.

The FERC issued a license for the Cowlitz Falls project to Public Utility District No. 1 of Lewis County [PUD] in June 1986. Prior to being licensed, the project underwent extensive analysis and was the subject of full-blown environmental impact statements at both the State and Federal levels. All pertinent fish, wildlife, and environmental resource agencies concurred in the licensing of the project. Indeed, the project is expected to have a net beneficial impact on fishery resources as it may represent the only feasible means of restoring anadromous fish runs in the upper Cowlitz River basin, runs that were destroyed years ago by the construction of dams downstream of Cowlitz Falls. As the result of an agreement reached with State fish and wildlife authorities and made a condition of the FERC license, the PUD has designed the dam to accommodate the future addition of facilities for collection and transportation of downstream migrant juvenile salmon.

Under the time strictures prescribed in section 13 of the Federal Power Act, the PUD must commence actual physi-

cal construction of project works by June 30, 1990. If the PUD does not start construction by that date, the FERC will be required to terminate the license. As the law presently stands, the Commission has no discretion to extend the construction deadline beyond June 1990, even for good cause.

Mr. President, it is our understanding that the PUD and its engineering contractor have proceeded diligently to implement the terms of the FERC license and to move forward with project development. To date, the PUD has spent approximately $10 million on the technical, environmental, and other planning necessary to bring the project to fruition. It recently has become clear, however, that the public interest would be best served if greater flexibility were allowed in timing the project's construction.

By the time FERC issued the license in 1986, the earlier forecasts of regional power shortages had changed to predictions of short-term surpluses. The Commission examined the proposed project in light of the Northwest Conservation and Electric Power Plan [Regional Power Plan] prepared by the Northwest Power Planning Council [Council]. FERC found Cowlitz Falls to be both economically sound and consistent with the Regional Power Plan, which gives priority to renewable resources projects over other generation facilities. Although regional power surpluses were expected to remain until the early to mid-1990's, FERC observed that forecasting load growth is an inherently uncertain endeavor and concluded that there may well be a regional need for the project's output by the time it could be placed into service—then projected to be 1991 at the earliest. In addition, the Cowlitz Falls project would help the PUD meet its own system load growth.

Earlier this year, the Northwest Power Planning Council reexamined the project in light of the 1989 Supplement to the Regional Power Plan and reconfirmed that the Cowlitz Falls project is a cost-effective resource. The council observed, however, that the project's value to the region would be enhanced if it could be brought on line sometime after the currently projected in-service date of 1993. The council also expressed concern over the potential for substantial rate impacts to Lewis County ratepayers if the project is developed solely by the PUD. The council noted that these rate impacts could be mitigated if the costs, risks, and benefits of the project were shared with other utilities, and urged the PUD to pursue that option. Consistent with the council's observations, the PUD has been engaged in a good faith effort to address that concern. Besides taking steps to meet the council's concerns, the PUD has also worked to meet the concerns of the State Department of Ecology and other interested parties.

Despite the council's excellent work in load forecasting and power resources planning, fluctuating demand in the Pacific Northwest and changing regulatory requirements make it very difficult for utilities like the Lewis County PUD to plan, time, market, and finance new power generation facilities. These difficulties are exacerbated in the case of hydroelectric facilities such as Cowlitz Falls by the time constraints for commencing construction under section 13 of the Federal Power Act. It would be a shame if the PUD and its ratepayers were forced to forfeit years of planning and millions of dollars in development cost due to conditions beyond its control. There is wide consensus that Cowlitz Falls is a clean, valuable, and needed resource—the only questions remaining are when it will be most needed and how its costs and benefits should be shared.

Mr. President, as stated before, this amendment would give FERC the authority to extend the deadline for commencing construction of the Cowlitz Falls project—in addition to the three Arkansas projects already covered by S. 750—by a maximum of three additional 2-year periods beyond the time currently authorized, in accordance with the good faith, due diligence, and public interest standards of the Federal Power Act. In determining whether extensions under this amendment are in the public interest, it is expected that FERC will take into account the regional power supply situation as reported by the Northwest Power Planning Council in its periodic updates of the Regional Power Plan. Nothing in the amendment is intended to detract from any discretionary authority FERC may presently have to extend time periods for completion of project construction or for acquisition of necessary property rights.

I would again like to express my appreciation to the Senate Energy and Natural Resources Committee chairman, Senator JOHNSTON, and the ranking minority member, Senator MCCLURE, for their assistance in this matter and particularly to Senator BUMPERS who has kindly agreed to allow this amendment to his legislation. Additionally, I would express my appreciation to the Senate Energy and Natural Resources Committee staff and Senator BUMPERS' staff for their work.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 146) was agreed to.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 750

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the time limitations of section 13 of the Federal Power Act, the Federal Energy Regulatory Commission upon the request of the licensees for FERC projects numbered 2833, 4204, 4659, and 4660 (and after reasonable notice) is authorized, in accordance with the good faith, due diligence, and public interest requirements of such section 13 and the Commission's procedures under such section, to extend:

(1) the time required for commencement of construction of projects numbered 2833, 4204, 4659, and 4660 for up to a maximum of three consecutive two-year periods for each such project,

(2) the time required for completion of construction of such projects for a reasonable period not to exceed five years after commencement of construction of each project, and

(3) the time required for the licensees to acquire the real property required for such projects for a period of up to five years from the date of enactment of this Act.

The authorization for issuing extensions under paragraphs (2) and (3) of this section shall terminate three years after enactment of this Act. The Commission may consolidate requests concerning projects 4204, 4659, and 4660 under this Act.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. MCCLURE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Nos. 83 and 84 en bloc; that the joint resolutions be read a third time; that the resolutions be deemed passed or agreed to en bloc; that the preambles to the resolutions be considered agreed to; and a motion to reconsider the adoption of these resolutions en bloc be in order and be laid upon the table.

I further ask unanimous consent that consideration of these items appear individually in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

BICENTENNIAL OF THE U.S. CUSTOMS SERVICE

The joint resolution (S.J. Res. 151) to honor the U.S. Customs Service on the 200th anniversary of its establishment, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution and the preamble, are as follows:

S.J. RES. 151

Whereas July 31, 1989, marks the two hundredth anniversary of the signing by

President George Washington of legislation establishing the United States Customs Service;

Whereas the controls on imports and exports and on shipping and trade, deemed essential by the founders of the Republic, would have been impossible without implementation by an honest, resourceful, and efficient United States Customs Service;

Whereas the Collector of Customs, the Customs House, and the Customs officer have stood for two hundred years as the symbols of Federal authority in the ports and on the waterfronts;

Whereas after two hundred years the ever more complex demands of our economy and our civilization require the United States Customs Service of the Treasury Department to remain alert and ready to perform on short notice a widening variety of tasks;

Whereas the men and women of the United States Customs Service have been the first line of defense against the entry into the United States of illicit drugs and other contraband goods;

Whereas the United States Customs Service has safeguarded the economic well being of the Nation against unfair trade practices and infringement of intellectual property rights;

Whereas the United States Customs Service, established by the fifth Act of the First Congress, is one of the oldest Federal agencies; and

Whereas the United States Customs Service was the source of the establishment of many Federal agencies, is the principal United States border agency, and enforces all laws of the United States at our border: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Customs Service be honored and congratulated on the two hundredth anniversary of its establishment and that the men and women of the United States Customs Service be commended on their continued hard work and dedication.

AGREEMENT BETWEEN THE UNITED STATES AND JAPAN CONCERNING THE SEMICONDUCTOR MARKET

The resolution (S. Res. 119) concerning the 1986 agreement between the United States and Japan regarding the Japanese semiconductor market, was considered.

JAPAN'S CONTINUING VIOLATION OF THE UNITED STATES-JAPAN SEMICONDUCTOR AGREEMENT

Mr. WILSON. Mr. President, the Senate again must turn its attention to a problem that long ago should have been resolved. Indeed, the problem was resolved by the signing of an agreement. Unfortunately, the other party has not met the letter or the spirit of the terms of the agreement.

Mr. President, the problem is fair trade in semiconductors, and the other party is Japan.

From Japan's conduct, one is reminded of the actions of a drug addict. In this instance, Japan's addiction is predatory trade practices, and despite its continuing promises to reform, it cannot kick the habit.

Yes, it stopped dumping chips in the United States and abroad, but it still will not open its markets to U.S. computer chips, for it is apparently unwilling to face the reality of free and fair trade.

The ultimate solution to someone's addiction when he is unwilling to kick the habit on his own is to be totally intolerant of the addict's behavior.

With drug addicts, we send them to treatment, and that failing, we lock them up. With Japan, we tried treatment, in the form of a negotiated settlement. When that failed, we imposed penalties in the form of trade sanctions.

The existing sanctions haven't worked: We are still being victimized by Japan's reliance on unfair trade. Our only response must be to step up the pressure.

The resolution before us, Senate Resolution 119, which I introduced with Senator HEINZ and a number of our colleagues, puts the Senate again on record against Japan's actions in the semiconductor market.

I commend Senator HEINZ for his work on the resolution. I also thank the distinguished chairman and ranking member of the Finance Committee for acting expeditiously on the resolution and bringing it to the floor.

Mr. President, when Ambassador Hills recently announced the priority countries under the Super 301 provisions of our trade laws, she listed Japan, but did not include semiconductors as one of the targeted products—with good reason.

Semiconductors are already the subject of a 301 case, and we need not wait and should not wait for an additional 12 or 18 months for Japan to live up to the terms of the agreement that it signed. We do not need a new trade case to be started on semiconductors under Super 301—we need resolution of the 301 case that is starting its fifth year.

Ambassador Hills noted in her statement on the Super 301 that semiconductors remain a priority issue, and Senate Resolution 119 indicates the Senate's full support for increased efforts and actions against Japan's continuing unfair practices; the House recently agreed to the companion to the Wilson resolution, House Resolution 146.

Mr. President, I urge adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 119) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 119

Whereas in 1986 Japan entered into an agreement with the United States which included a provision to increase foreign access to the Japanese semiconductor market;

Whereas the agreement envisaged gradual and steady growth of foreign producers' share of the Japanese market from the 8.5-percent level in 1986, until, by 1991 it was to exceed 20 percent;

Whereas in 1987 the Senate found by a vote of 93 to 0 that the Government of Japan had failed to meet the commitment of the 1986 United States-Japan Semiconductor Agreement, and resolved that the President should immediately take all appropriate and feasible actions under section 301 of the Trade Act of 1974 to remedy and prevent further violation of the agreement by Japan;

Whereas in early 1987 the President found that Japan's failure to abide by its commitments was "inconsistent with the provisions of, or otherwise denies benefits to the United States under, the (Agreement); and is unjustifiable and unreasonable, and constitutes a burden of restriction on United States commerce;" and in response, the President imposed market access-related sanctions under section 301 of the Trade Act of 1974 in the amount of $165,000,000 annually;

Whereas it is now the midpoint of the Agreement which should place foreign market share at above 14 percent, although it is currently only 10.5 percent, approximately the level it has averaged for the last two decades, including the period when imports into Japan were formally controlled;

Whereas Japan's failure to live up to its market access commitments has a serious adverse effect on the United States semiconductor industry, costing United States producers an estimated $490,000,000 in lost sales in 1988, an amount projected to grow to $1,600,000,000 annually by 1991;

Whereas these lost sales figures substantially understate the effects on employment, investment in research and development, technological leadership and competitiveness, and national security that results from lack of full access to Japan, the world's largest semiconductor market;

Whereas semiconductors are the heart of computer technology and numerous related fields, such as defense equipment, work stations, supercomputers, high-definition television, robotics, and automotive technology;

Whereas the actions which were the object of the 1985 section 301 petition have not changed, and Japan is currently still in violation of the agreement it entered into;

Whereas former President Reagan stated, and United States Trade Representative Hills recently reaffirmed, that the sanctions would be maintained until there was "firm and continuing evidence * * * that access to the Japanese market has improved";

Whereas resolution of the semiconductor case has important implications for solving the trade problems facing numerous other United States industries in Japan, including work stations, fiber optics, supercomputers, and telecommunications;

Whereas the policy of resolving trade disputes through negotiations is not credible if, after successful negotiation of an agreement, the other party fails to abide by it; and

Whereas Japan has a strong interest in maintaining access to the United States market for both those current products which include semiconductors, such as auto-

mobiles and consumer electronic goods, and in emerging technologies, such as high-definition television: Now, therefore, be it

Resolved, That it is the sense of the Senate—

(1) that Japan has not lived up to the terms of its agreement with the United States in an area of vital importance to our Nation's economic health and national security;

(2) that the administration convey to the Government of Japan that its continuing violation of the Agreement is unacceptable;

(3) that the President, the United States Trade Representative, the Secretary of State, and the Secretary of Commerce seek a prompt remedy for the violation, placing the highest priority on obtaining full access to the Japanese market for semiconductors in accordance with the United States-Japan Semiconductor Agreement; and

(4) that the President and the United States Trade Representative, pursuant to statute, take all measures necessary to achieve compliance with the Agreement.

CALLING ON THE GOVERNMENT OF VIETNAM TO EXPEDITE THE RELEASE AND EMIGRATION OF ALL POLITICAL PRISONERS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of Senate Concurrent Resolution 16, a concurrent resolution calling on the Government of Vietnam to expedite the release and emigration of all political prisoners, and that the Senate proceed to its immediate consideration.

The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 16) calling on the Government of Vietnam to expedite the release and emigration of all political prisoners.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

There being no objection, the Senate proceeded to consider the concurrent resolution.

● Mr. BOSCHWITZ. Mr. President, 14 years after the end of the Vietnamese conflict, thousands of individuals who were associated with the United States-backed Government of South Vietnam face continued persecution. Senate Concurrent Resolution 16 sends an important message to the Government of Vietnam that we have not forgotten the plight of the reeducation camp detainees.

After the fall of Saigon in 1975, the Socialist Republic of Vietnam established its infamour reeducation camps; into which it put former officials and military officers of the South Vietnamese Government, dissident intellectuals, clergymen, and others it perceived as a threat. Although estimates vary greatly, as many as 1 million Vietnamese have been imprisoned in these camps since 1975.

We have a special obligation to help these persecuted individuals. Fortunately, since the mid 1980's, a series of large-scale amnesties have resulted in the release of many of these prisoners. But thousands remain imprisoned—leaving family members to live in constant fear. Moreover, those who have been released have not been allowed to emigrate—despite Vietnam's official commitment to let them go.

In the Summer of 1988, a United States delegation, headed by Gen. John Vessey of Minnesota, held further talks with Vietnamese officials on this issue. A joint statement issued on July 15, 1988, "reaffirmed the policy of the Socialist Republic of Vietnam that released detainees and their close family members would be permitted to emigrate overseas if they so desired." Not long after this statement was issued, however, the Vietnamese backtracked and unilaterally suspended talks on implementing this agreement. Sadly, there has been no movement on this issue since that time—almost a year ago.

The resolution before the Senate calls on the Government of Vietnam to make public the names of those who continue to be held in reeducation camps—and to release immediately all long-term detainees. The resolution also asks Vietnam to resume negotiations, without preconditions, on the emigration of current and former detainees and their families.

Mr. President, the timing of this resolution is crucial. On June 13 and 14, the International Conference on Indochinese Refugees will take place in Geneva. At this conference, United States and Vietnamese officials—among others—will meet to discuss the continuing flow of refugees from Vietnam. It would be an added benefit, Mr. President, if our United States delegates could meet their Vietnamese counterparts with a clear message that the United States remains committed to the release and emigration of reeducation camp detainees.

I urge the adoption of the resolution.●

AMENDMENT NO. 147

Mr. McCLURE. Mr. President, I send an amendment to the desk on behalf of Senator BOSCHWITZ and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE], for Mr. BOSCHWITZ, proposes an amendment numbered 147.

Mr. McCLURE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, beginning on line 4, strike out "(1)" and all that follows through the period on line 14 and insert in lieu thereof the following:

"(1) to make public the names of all individuals who continue to be held in "reeducation" camps or prisons in connection with suspected opposition to the Government of Vietnam;

"(2) to release immediately all remaining long-term "reeducation" camp or prison detainees, as well all individuals imprisoned in Vietnam in recent years because of their political or religious expression or related nonviolent activities; and

"(3) to resume negotiations, without preconditions, with the United States concerning the emigration from Vietnam of current and former detainees and their families, in accord with the commitment of the Government of Vietnam to allow their emigration."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 147) was agreed to.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on agreeing to the concurrent resolution, as amended.

The concurrent resolution (S. Con. Res. 16), as amended, was agreed to.

AMENDMENT NO. 148

Mr. McCLURE. Mr. President, on behalf of Senator BOSCHWITZ, I send an amendment to the preamble and an amendment to the title to the desk and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. McCLURE], for Mr. BOSCHWITZ, proposes an amendment numbered 148.

Mr. McCLURE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On pages 1 and 2, strike out the preamble and insert in lieu thereof the following:

"Whereas 14 years have passed since the end of the Vietnam conflict;

"Whereas thousands of opponents of the Government of the Socialist Republic of Vietnam, including officials of, and others associated with, the former Republic of Vietnam, were detained without trial in 'reeducation' camps or prisons beginning in 1975;

"Whereas a series of large-scale anmesties took place in the late 1980's resulting in the release of many detainees;

"Whereas despite these welcome releases, many Vietnamese remain in long-term detention because of their suspected opposition to the Government of Vietnam, and many family members of detainees do not know their status;

"Whereas the Government of Vietnam has continued in recent years to imprison individuals because of their political and religious expression or association or related nonviolent activity;

"Whereas the Government of Vietnam has stated publicly that the remaining 'reeducation' camp or prison detainees would be released and that former detainees would be allowed to emigrate;

"Whereas the United States has repeatedly stated that the resettlement of 'reeducation' camp or prison detainees is one of its highest priorities in its dealing with Vietnam on humanitarian issues and has made it clear to the Government of Vietnam that it is willing to allow former and current detainees to enter the United States;

"Whereas at negotiations held in Hanoi in July 1988, the United States and Vietnam agreed in principle on the resettlement of those released from 'reeducation' camps or prisons and Vietnam reaffirmed that released detainees and their families could emigrate from Vietnam;

"Whereas the Government of Vietnam subsequently suspended negotiations on the issue of the resettlement of detainees and their families; and

"Whereas the willingness of the Government of Vietnam to satisfactorily resolve this humanitarian issue will have an important bearing on the relationship between Vietnam and the United States: Now therefore be it"

Amend the title so as to read:

"Calling on the Government of the Socialist Republic of Vietnam to expedite the release and emigration of 'reeducation' camp detainees."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 148) was agreed to.

The text of concurrent resolution, as amended, and the preamble, as amended, is as follows:

S. CON. RES. 16

Whereas 14 years have passed since the end of the Vietnam conflict;

Whereas thousands of opponents of the Government of the Socialist Republic of Vietnam, including officials of, and others associated with, the former Republic of Vietnam, were detained without trial in "reeducation" camps or prisons beginning in 1975;

Whereas a series of large-scale amnesties took place in the late 1980's resulting in the release of many detainees;

Whereas despite these welcome releases, many Vietnamese remain in long-term detention because of their suspected opposition to the Government of Vietnam, and many family members of detainees do not know their status;

Whereas the Government of Vietnam has continued in recent years to imprison individuals because of their political and religious expression or association or related nonviolent activity;

Whereas the Government of Vietnam has stated publicly that the remaining "reeducation" camp or prison detainees would be released and that former detainees would be allowed to emigrate;

Whereas the United States has repeatedly stated that the resettlement of "reeducation" camp or prison detainees is one of its highest priorities in its dealing with Vietnam on humanitarian issues and has made it clear to the Government of Vietnam that it is willing to allow former and current detainees to enter the United States;

Whereas at negotiations held in Hanoi in July 1988, the United States and Vietnam agreed in principle on the resettlement of those released from "reeducation" camps or prisons and Vietnam reaffirmed that released detainees and their families could emigrate from Vietnam;

Whereas the Government of Vietnam subsequently suspended negotiations on the issue of the resettlement of detainees and their families; and

Whereas the willingness of the Government of Vietnam to satisfactorily resolve this humanitarian issue will have an important bearing on the relationship between Vietnam and the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress calls on the Government of Vietnam–

(1) to make public the names of all individuals who continue to be held in "reeducation" camps or prisons in connection with suspected opposition to the Government of Vietnam;

(2) to release immediately all remaining long-term "reeducation" camp or prison detainees, as well as all individuals imprisoned in Vietnam in recent years because of their political or religious expression or related nonviolent activities; and

(3) to resume negotiations, without preconditions, with the United States concerning the emigration from Vietnam of current and former detainees and their families, in accord with the commitment of the Government of Vietnam to allow their emigration.

Mr. MITCHELL. Mr. President, I ask unanimous consent that motions to reconsider the votes by which the resolution and the amendments were agreed to be considered en bloc and tabled en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXCLUDING AGENT ORANGE SETTLEMENT PAYMENTS FROM COUNTABLE INCOME AND RESOURCES UNDER FEDERAL MEANS-TESTED PROGRAMS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be discharged from further consideration of S. 892, a bill to exclude agent orange settlement payments from countable income in determining eligibility for benefits.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 892.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 892) to exclude agent orange settlement payments from countable income and resources under the Federal means-tested programs.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 149

(Purpose: To change the effective date of the bill to January 1, 1989)

Mr. MITCHELL. Mr. President, on behalf of Senator MOYNIHAN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. MOYNIHAN, proposes an amendment numbered 149.

Mr. MITCHELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out section 1(b) of the bill and insert in lieu thereof the following:

(b) EFFECTIVE DATE.—The provisions of this section shall become effective on January 1, 1989.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from New York.

The amendment (No. 149) was agreed to.

Mr. MOYNIHAN. Mr. President, I wish to thank the distinguished majority leader for cosponsoring this measure and for his cooperation in bringing the bill to the floor under unanimous consent. I also wish to thank the distinguished Republican leader for his cooperation, and my friend and colleague Senator BENTSEN, chairman of the Committee on Finance, and Senator PACKWOOD, the distinguished ranking member of that committee, for their agreement to discharge S. 892 from committee so that we may proceed expeditiously.

As the distinguished majority leader indicated, this bill will prevent disabled Vietnam veterans from losing Federal public assistance benefits if they are recipients of agent orange settlement payments.

Mr. President, after 5 years of delays, veterans disabled from exposure to agent orange are finally beginning to receive small payments from the agent orange settlement fund. Under the terms of a 1984 settlement of a suit by disabled veterans against the manufacturers of agent orange, chemical companies agreed to put up $180 million to settle all claims while admitting no liability for any injuries or deaths caused by the use of agent orange. The settlement agreement was approved by a Federal district court in Brooklyn in July 1988, and the distribution of the modest payments began in March of this year.

To receive payments from the settlement fund, a veteran must be totally disabled, must show exposure to agent orange in Vietnam, and show that the disability was not caused by another injury. Payments will also be made to the families of veterans whose deaths are linked to agent orange.

An eligible veteran will receive an average disability settlement payment of about $5,700 over the 6-year distribution period, or an average annual payment of about $950. An eligible

survivor will receive an average total death payment of about $1,800. Roughly 30,000 veterans and 18,000 survivor families are estimated to be eligible for the payments.

Under current law, the settlement payments are counted as income for determining eligibility for and benefit amounts under most Federal safety-net assistance programs, and many needy disabled veterans and their survivors will lose benefits. Such programs include Supplemental Security Income, Foodstamps, Medicaid, and Aid to Families With Dependent Children. S. 892 will correct this inequity by creating an income exclusion for the settlement payments for purposes of these programs.

The measure is effective retroactively to January 1, 1989, to protect those who have already received settlement payments and lost benefits. I know there are such individuals because I received a letter from one last month. She says that her husband is a very disabled Vietnam vet who received a $732 agent orange payment, and as a result they lost $502 in SSI benefits. This injustice demonstrates the need for fast congressional action. We must act now to prevent more needy disabled Vietnam vets from falling through this hole in the safety net.

Thank you, Mr. President, and I thank my colleagues, and again I thank the distinguished majority leader.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to the proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 892

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AGENT ORANGE SETTLEMENT PAYMENTS EXCLUDED FROM COUNTABLE INCOME AND RESOURCES UNDER FEDERAL MEANS-TESTED PROGRAMS.

(a) IN GENERAL.—(1) That none of the payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.), shall be considered income or resources in determining eligibility for or the amount of benefits under any Federal or federally assisted program described in paragraph (2).

(2) The program benefits described in this paragraph are—

(A) benefits under the supplemental security income program under title XVI of the Social Security Act;

(B) aid to families with dependent children under a State plan approved under section 402(a) of the Social Security Act;

(C) medical assistance under a State plan approved under section 1902(a) of the Social Security Act;

(D) benefits under title XX of the Social Security Act;

(E) benefits under the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977);

(F) benefits under the special supplemental food program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966;

(G) benefits under section 336 of the Older Americans Act;

(H) benefits under the National School Lunch Act;

(I) benefits under any housing assistance program for lower income families or elderly or handicapped persons which is administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture;

(J) benefits under the Low-Income Home Energy Assistance Act of 1981;

(K) benefits under part A of the Energy Conservation in Existing Buildings Act of 1976; and

(L) benefits under any educational assistance grant or loan program which is administered by the Secretary of Education.

(b) EFFECTIVE DATE.—The provisions of this section shall become effective on January 1, 1989.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. McCLURE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR FILING MINORITY REPORT WITH RESPECT TO THE NOMINATION OF RICHARD BURT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the minority members of the Foreign Relations Committee may have until 7 p.m. this evening to file a minority report with respect to the nomination of Richard Burt.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of the secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:07 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 767. An act to make technical corrections to the Business Opportunity Development Reform Act of 1988; and

H.R. 932. An act to provide for the settlement of land claims, and the resolution of certain issues of governmental jurisdiction, of the Puyallup Tribe of Indians in the State of Washington, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore [Mr. BYRD].

At 4:01 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 113. Joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX with Japan.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1101. An act to extend the authorization of appropriations for the Water Resources Research Act of 1984 through the end of fiscal year 1994; and

H.R. 2392. An act to amend section 37 of the Mineral Leasing Act relating to oil shale claims, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 964. An act to correct an error in Private Law 100-29 (relating to certain lands in Lamar County, Alabama) and to make technical corrections in certain other provisions of law; and

S.J. Res. 113. Joint resolution prohibiting the export of technology, defense articles, and defense services to codevelop or coproduce the FSX aircraft with Japan.

The enrolled bill and joint resolution were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1101. An act to extend the authorization of appropriations for the Water Resources Act of 1984 through the end of fiscal year 1994; to the Committee on Environment and Public Works.

H.R. 2392. An act to amend section 37 of the Mineral Leasing Act relating to oil shale claims, and for other purposes; to the Committee on Energy and Natural Resources.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 8, 1989, he had presented to the President of the United States the following enrolled bill:

S. 767. An act to make technical corrections to the Business Opportunity Development Reform Act of 1988.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents which were referred as indicated:

EC-1222. A communication from the Architect of the Capitol transmitting, pursuant to law, a report of all expenditures during the period October 1, 1988, through March 31, 1989, from moneys appropriated to the Architect of the Capitol; to the Committee on Appropriations.

EC-1223. A communication from the Director of Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, notice that the Strategic Defense Initiative Organization intends to exercise authority for the exclusion of the clause concerning examination of records by the Comptroller General; to the Committee on Armed Services.

EC-1224. A communication from the Deputy General Counsel of the Department of Defense transmitting a draft of proposed legislation to provide the Service Secretary concerned the option to order a cadet or midshipman to reimburse the United States without first ordering such cadet or midshipman to active duty; to the Committee on Armed Services.

EC-1225. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on the Department of the Air Force's proposed letter of offer to Korea for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1226. A communication from the General Counsel of the Department of the Treasury transmitting a draft of proposed legislation to repeal the requirement that the United States currency notes be reissued after redemption; to the Committee on Banking, Housing, and Urban Affairs.

EC-1227. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to amend subtitle IV of title 49, United States Code, to eliminate economic regulation of motor carriers and interstate water carriers, to sunset the Interstate Commerce Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-1228. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual report on accomplishments under the Airport Improvement Program for fiscal year 1988; to the Committee on Commerce, Science, and Transportation.

EC-1229. A communication from the Acting Administrator of the Federal Aviation Administration transmitting, pursuant to law, the report on progress in developing and certifying the Traffic Alert and Collision Avoidance System for March 1989; to the Committee on Commerce, Science, and Transportation.

EC-1230. A communication from the Assistant General Counsel of the Department of Energy transmitting, pursuant to law, a notice of meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-1231. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain excess offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1232. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain excess offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1233. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain excess offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1234. A communication from the Deputy Associate Director for Collection and Disbursements. Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain excess offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1235. A communication from the Deputy Associate Director for Collection and Disbursements, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain excess offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-1236. A communication from the Chairman and Directors of the Tennessee Valley Authority transmitting, pursuant to law, the annual report of the Authority for fiscal year 1988; to the Committee on Environment and Public Works.

EC-1237. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on the use by States in fiscal years 1987 and 1988 of funds made available for Independent Living Initiatives; to the Committee on Finance.

EC-1238. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to amend the Social Security Act and related laws to make various improvements in the old-age, survivors, and disability insurance program and the supplemental security income program, and for other purposes; to the Committee on Finance.

EC-1239. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on actions States have taken in adopting standards equal to or more stringent than the National Association of Insurance Commissioners Model Transition Regulation or the amended NAIC Model Regulation for Medicare supplemental health insurance policies; to the Committee on Finance.

EC-1240. A communication from the Assistant Legal Advisor For Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60 day period prior to May 25, 1989; to the Committee on Foreign Relations.

EC-1241. A communication from the Administrator of the Small Business Administration transmitting, pursuant to law, a report on a plan to enhance competition and reduce sole source contracts in fiscal year 1989; to the Committee on Governmental Affairs.

EC-1242. A communication from the Secretary of the Board of Governors of the Postal Service transmitting, pursuant to law, the semiannual report of the Office of Inspector General, U.S. Postal Service, for the period October 1, 1988 to March 31, 1989; to the Committee on Governmental Affairs.

EC-1243. A communication from the Acting Administrator of General Services transmitting, pursuant to law, the semiannual report of the Office of Inspector General, General Services Administration, for the period October 1, 1988, to March 31, 1989; to the Committee on Governmental Affairs.

EC-1244. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 8-33 adopted by the Council on May 16, 1989; to the Committee on Governmental Affairs.

EC-1245. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 8-35 adopted by the Council on May 16, 1989; to the Committee on Governmental Affairs.

EC-1246. A communication from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, copies of D.C. Act 8-34 adopted by the Council on May 16, 1989; to the Committee on Governmental Affairs.

EC-1247. A communication from the Director of the U.S. Information Agency transmitting, pursuant to law, the semiannual report of the Office of Inspector General, U.S. Information Agency for the period October 1, 1988, to March 31, 1989; to the Committee on Governmental Affairs.

EC-1248. A communication from the Secretary of Commerce transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Commerce, for the period October 1, 1988, to March 31, 1989; to the Committee on Governmental Affairs.

EC-1249. A communication from the Acting Administrator of the National Aeronautics and Space Administration transmitting, pursuant to law, the semiannual report of the Office of Inspector General, National Aeronautics and Space Administration for the period October 1, 1988, to March 31, 1989; to the Committee on Governmental Affairs.

EC-1250. A communication from the Director of the Office of Legislative Affairs, Agency for International Development, transmitting, pursuant to law, the annual report of the Agency under the Freedom of Information Act for calendar year 1988; to the Committee on the Judiciary.

EC-1251. A communication from the Secretary of Education transmitting, pursuant to law, the Indian Fellowship Program; to the Committee on Labor and Human Resources.

EC-1252. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to amend title X of the Public Health Service Act to authorize a program of grants to States for family planning services; to the Committee on Labor and Human Resources.

EC-1253. A communication from the Chairman of the Advisory Committee on Student Financial Assistance transmitting, pursuant to law, the results of the study of institutional lending in the Stafford Loan Program; to the Committee on Labor and Human Resources.

EC-1254. A communication from the Secretary of Education transmitting, pursuant to law, final regulations—Migrant Education Even Start; to the Committee on Labor and Human Resources.

EC-1255. A communication from the Secretary of Education transmitting, pursuant to law, the Chapter I Program in Local Educational Agencies; to the Committee on Labor and Human Resources.

EC-1256. A communication from the Secretary of Health and Human Services transmitting, for the information of the Senate, his views on the bill S. 546; to the Committee on Labor and Human Resources.

EC-1257. A communication from the Acting Comptroller General of the United States transmitting, pursuant to law, a report on the President's fourth special impoundment message for fiscal year 1989; pursuant to the order of January 30, 1975, as midified on April 11, 1986, referred jointly to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture, Nutrition, and Forestry, the Committee on Energy and Natural Resources, the Committee on Finance, the Committee on Armed Services, and the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 116. Resolution commemorating the 50th anniversary of the United States Jewish Appeal.

S.J. Res. 55. Joint resolution to designate the week of October 1, 1989, through October 7, 1989, as "Mental Illness Awareness Week."

S.J. Res. 67. Joint resolution to commemorate the 25th anniversary of the Wilderness Act of 1964 which established the National Wilderness Preservation System.

S.J. Res. 73. Joint resolution to designate the week beginning October 29, 1989, as "Gaucher's Disease Awareness Week."

S.J. Res. 76. Joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week."

S.J. Res. 78. Joint resolution to designate the month of November 1989 and 1990 as "National Hospice Month."

S.J. Res. 85: Joint resolution to designate the week of July 24-30, 1989, as the "National Week of Recognition and Remembrance for Those Who Served in the Korean War."

S.J. Res. 95. Joint resolution to designate the week of September 10, 1989, through September 16, 1989, as "National Check-Up Week."

S.J. Res. 96: Joint resolution designating July 2, 1989, as "National Literacy Day."

S.J. Res. 105. Joint resolution to designate October 7 through October 14, 1989, as "National Week of Outreach to the Rural Disabled."

S.J. Res. 108. Joint resolution designating October 3, 1989, as "National Teacher Appreciation Day."

S.J. Res. 109. Joint resolution to designate the period commencing September 11, 1989, and ending on September 15, 1989, as "National Historically Black Colleges Week."

S.J. Res. 110. Joint resolution designating October 5, 1989, as "Raoul Wallenberg Day."

S.J. Res. 117: Joint resolution to designate the week of November 19, 1989, through November 25, 1989, and the week of November 18, 1990, through November 24, 1990, as "National Family Week."

S.J. Res. 118: Joint resolution designating October 6, 1989, as "German-American Day."

S.J. Res. 120: Joint resolution to designate the period commencing November 12, 1989, and ending November 18, 1989, as "Geography Awareness Week."

S.J. Res. 122: Joint resolution to designate October 1989 and 1990 as "National Down's Syndrome Month."

S.J. Res. 124: Joint resolution to designate October as "National Quality Month."

S.J. Res. 126: Joint resolution commemorating the bicentennial of the U.S. Coast Guard.

S.J. Res. 130: Joint resolution designating February 11 through February 17, 1990, as "Vocational-Technical Education Week."

S.J. Res. 133: Joint resolution designating October 1989 as "National Domestic Violence Awareness Month."

S.J. Res. 136: Joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day."

S.J. Res. 137: Joint resolution designating January 7, 1990, through January 13, 1990, as "National Law Enforcement Training Week."

S.J. Res. 138: Joint resolution designating October 16, 1989, and October 16, 1990, as "World Food Day."

S.J. Res. 142: Joint resolution designating the week beginning July 23, 1989, as "Lyme Disease Awareness Week."

S.J. Res. 143: Joint resolution to designate the week of December 10, 1989, through December 16, 1989, as "National Drunk and Drugged Driving Awareness Week."

S.J. Res. 146: Joint resolution designating the week of September 24, 1989, as "Religious Freedom Week."

S.J. Res. 148: Joint resolution to designate the week of October 8, 1989, through October 14, 1989, as "National Job Skills Week."

S.J. Res. 150: Joint resolution to designate August 1, 1989, as "Helsinki Human Rights Day."

S. Con. Res. 39: Concurrent resolution to commend the group of aviators known as the "Flying Tigers" for nearly 50 years of service to the United States.

S. Con. Res. 40: Concurrent resolution to designate June 21, 1989, as "Chaney, Goodman, and Schwerner Day."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

Susan Carol Schwab, of Maryland, to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service;

Alfred A. DelliBovi, of New York, to be Under Secretary of Housing and Urban Development;

John B. Taylor, of California, to be a member of the Council of Economic Advisors; and

John Michael Farren, of Connecticut, to be Under Secretary of Commerce for International Trade.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BIDEN, from the Committee on the Judiciary:

Reggie B. Walton, of the District of Columbia, to be Associate Director for National Drug Control Policy.

By Mr. PELL, from the Committee on Foreign Relations:

John D. Negroponte, of New York, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Nominee: John D. Negroponte.

Post: Mexico.

Nominated: January 31, 1989.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse (Diana), none.

3. Children and Spouses, (Marina, Alexandra, John—minor children), none.

4. Parents, Catherine and Dimitri Negroponte, none.

5. Brothers and spouses: Nicholas and Elaine Negroponte, none. Michel and John Negroponte, none. George Negroponte, $420.00 (total), 1985-88; various Democratic party recipients (e.g. DNC, Moynihan Committee Cranston for Senate Committee for Democratic Consensus).

7. Sisters and Spouses, n.a.

Chic Hecht, of Nevada, to be Ambassador Extraoridinary and Plenipotentiary of the United States of America to the Commonwealth of the Bahamas.

Nominee: Senator Chic Hecht.

Post Ambassador to the Commonwealth of the Bahamas.

(Contributions are to be reported for the period beginning on the first day of the fourth calandar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, none.

3. Children and Spouses, Lori and Leslie, none.

4. Parents, Mildred Kahn, $2,000, 1988, Senator Chic Hecht.

5. Grandparents, all deceased 25 years or more.

6. Brother and spouse: Mr. and Mrs. Martin Hecht, $4,000, 1988, Senator Chic Hecht; $2,000, 1984, Senator Boschwitz; $1,000, 1986, Senator Dixon; $1,000, 1986, Senator Hawkins; $1,000, 1986, Senator Bond; $1,000, 1984, Senator Percy; $2,000, 1984, Senator Helms; $1,000, 1986, Linda Chavez; $1,000, 1984, Linda Chavez; $1,000,

1984, Senator Kasten; $1,000, 1988, Senator Danforth; $2,000, 1988, Senator Laxalt for President; $1,000, 1988, Congressman Emerson; and $1,000, 1986, Congressman Emerson.

7. Sister and Spouse: Mr. and Mrs. Irving Applebaum, $4,000, 1988, Senator Chic Hecht; $500, 1984, Senator Simon; $500, 1986, Congressman Durbin; and $2,000, 1984, Senator Boschwitz.

Richard Reeves Burt, of Arizona, for the rank of Ambassador during his tenure of service as Head of Delegation on Nuclear and Space Talks and Chief Negotiator on Strategic Nuclear Arms (START) (Exec. Rept. No. 101-7):

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Nominee: Richard R. Burto.

Post: U.S. Negotiator for Strategic Nuclear Arms.

Nominated: February 2, 1989.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, Gahl Lee Hodges Burt, $120, 1/85, GOP pals.

3. Children and Spouses: names, Christopher, none.

4. Parents: names, Mr. and Ms. Wayne Burt, none.

5. Grandparents: names, N/A.

6. Brothers and Spouses: names, Christopher and Winnell Burt, none.

7. Sisters and Spouses, N/A.

John Hubert Kelly, of Georgia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be an Assistant Secretary of State; and

Bernard William Aronson, of Maryland, to be an Assistant Secretary of State.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CRANSTON (by request):

S. 1147. A bill to amend title 38, United States Code, to authorize a headstone allowance for prepurchased grave markers; to the Committee on Veterans' Affairs.

By Mr. GORTON:

S. 1148. A bill to authorize issuance of a certificate of documentation for the vessel M/V *Northern Victor*; to the Committee on Commerce, Science, and Transportation.

By Mr. BAUCUS (for himself, Mr. CHAFEE, Mr. PRYOR, Ms. MIKULSKI and Mr. PELL):

S. 1149. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to limit application of the benefits and premiums of the Medicare Catastrophic Coverage Act of 1988 to those voluntarily enrolled in part B of the Medicare program; to the Committee on Finance.

By Mr. CONRAD (for himself and Mr. DASCHLE):

S. 1150. A bill to provide for the payment by the Secretary of the Interior of undedicated receipts into the Refuge Revenue Sharing Fund; to the Committee on Environment and Public Works.

By Mr. HELMS:

S. 1151. A bill to support democracy and human rights in the People's Republic of China and Tibet; to the Committee on Foreign Relations.

By Mr. GORTON:

S. 1152. A bill to authorize a certificate of documentation for the vessel *American Empire*; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE (for himself, Mr. KERRY, Mr. CRANSTON, Mr. JEFFORDS, Mr. DECONCINI, Mr. MATSUNAGA, Mr. BRADLEY, Mr. SIMON, Mr. WIRTH, Mr. PELL, Mr. ROCKEFELLER, Mr. SPECTER, Mr. KERREY, Mr. BURDICK, Mr. HARKIN, Mr. GORE, Mr. BINGAMAN, Mr. KOHL, Mr. MOYNIHAN, Mr. BIDEN, Mr. PRESSLER, and Mr. CHAFEE):

S. 1153. A bill to amend title 38, United States Code to provide for the establishment of presumptions of service-connection between certain diseases experienced by veterans who served in Vietnam era and exposure to certain toxic herbicide agents used in Vietnam; to provide for interim benefits for veterans of such service who have certain diseases; to improve the reporting requirements relating to the "Ranch Hand Study"; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. JOHNSTON (by request):

S.J. Res. 154. Joint resolution to consent to certain amendments enacted by the legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MITCHELL (for himself and Mr. DOLE):

S. Res. 143. Resolution directing the Senate Legal Counsel to represent the Acting Public Printer in the Honorable Alcee L. Hastings, United States District Judge v. The United States Senate, et al. (D.D.C.); considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CRANSTON (by request):

S. 1147. A bill to amend title 38, United States Code, to authorize a headstone allowance for prepurchased grave markers; to the Committee on Veterans' Affairs.

HEADSTONE ALLOWANCE AMENDMENT ACT

Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced, by request, S. 1147, the proposed Headstone Allowance Amendment Act of 1989. The Secretary of Veterans' Affairs submitted this legislation by letter dated June 2, 1989, to the President of the Senate.

My introduction of this measure is in keeping with the policy which I have adopted of generally introducing—so that there will be specific bills to which my colleagues and others may direct their attention and comments—all administration proposed draft legislation referred to the Veterans' Affairs Committee. Thus, I reserve the right to support or oppose the provisions of, as well as any amendment to, this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point, together with the June 2, 1989, transmittal letter.

There being no objection, the bill and letter were ordered to be printed in RECORD, as follows:

S. 1147

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Headstone Allowance Amendment Act of 1989."

SEC. 2. Subsection (d) of section 906 of title 38, United States Code, is amended by inserting after "by or on behalf of such person", a comma and "or, in cases where a veteran has prepaid the cost of the veteran's own headstone or marker, by the veteran,."

VETERANS' ADMINISTRATION, OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, DC, June 2, 1989.

Hon. DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: There is transmitted herewith a draft bill "To authorize a headstone allowance for prepurchased grave markers," with the request that it be referred to the appropriate committee for prompt consideration and enactment.

Our proposal would amend current section 906(d) of title 38, United States Code, to permit payment of the headstone or marker allowance to the estate of a deceased veteran who purchased the headstone or grave marker prior to his or her death. Further, in the case of a prepurchased marker that is engraved following the veteran's death, the proposal would provide for reimbursement of the engraving costs, and now, plus any balance remaining in the marker allowance would be applied to reimburse, in part, for the expense of the marker.

Section 906(d) of title 38, United States Code, provides for the payment of a monetary allowance in lieu of a Government-furnished headstone or grave marker under certain circumstances. The allowance is intended to reimburse an individual, in part, for the actual costs of acquiring a suitable memorial, and is not payable prior to the death of the veteran. Therefore, if the veteran purchases his or her memorial prior to death, the headstone or marker allowance cannot be claimed at the time of the purchase. Moreover, the allowance is not payable to any person after the veteran's demise, to the extent the costs of the memorial were prepaid (borne) by the veteran.

Prepaid funeral arrangements are gaining in popularity, and serve as a thoughtful means of sparing survivors the need to make difficult decisions during a period of emotional stress. Under existing law, the Department of Veterans Affairs (VA) is authorized to pay burial and plot allowances to reimburse for prepayment of such funer-

al expenses. Our proposal would extend that approach to the acquisition of headstones or grave markers, thereby removing the disincentive to prepurchase memorials and relieving survivors of a financial burden. Further, the proposed amendment would reconcile the different criteria for reimbursement applied to prepayment of funeral expenses and prepurchase of memorials.

Our proposal, if enacted would result in negligible benefit costs and less than $100,000 in administrative costs.

The Office of Management and Budget advises that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal to the Congress.

Sincerely yours,

EDWARD J. DERWINSKI,
Secretary.

By Mr. GORTON:

S. 1148. A bill to authorize issuance of a certificate of documentation for the vessel M/V *Northern Victor*; to the Committee on Commerce, Science, and Transportation.

DOCUMENTATION OF VESSEL M/V "NORTHERN VICTOR"

● Mr. GORTON. Mr. President, I am introducing a bill today which will grant a waiver for the operation of the vessel M/V *Northern Victor*. Last year, the Senate passed a similar bill for this vessel under unanimous consent; unfortunately, the measure died in the House.

The vessel is now owned by Seafood Wholesalers, Inc., based in California. In 1988, Crystal Products, Inc., a Washington State corporation, entered into an agreement to purchase the ship. They have requested assistance in obtaining a legislative waiver of a restriction on a vessel to allow it to participate in some aspects of the U.S. fisheries. The waiver would allow this vessel to acquire, purchase, process, and transport fish products. It would not allow the vessel to actually catch fish and there is no desire to use the vessel for that purpose.

Crystal Products, Inc., is a company that manages U.S. trawlers operating in the Bering Sea and Eastern Pacific in a joint venture with foreign processing motherships. These joint ventures are being phased out as U.S. processing capacity increases. In order for members of the joint venture fleet to survive, it is necessary that processing ships be available to accept the product that those vessels are capable of catching. Such motherships must be U.S.-built under the Commercial Fishing Industry Vessel Anti-Reflagging Act of 1987.

In order to create a "mothership processor" it is necessary to have a U.S.-built hull of sufficient size to hold the equipment necessary to process large volumes of fish and to house the large number of people required for the handling of the fish. A number of vessels have been sold from the U.S. surplus fleet that meet the size requirement for these motherships. Mr. Yates has identified one of these vessels, the M/V *Northern Victor* (ex *Ocean Cyclone*, ex *Coastal Spartan*), as being suitable for this purpose, and he has entered into a contract for the purchase of this U.S. built vessel with the intention of converting it into a processing ship. When such vessels were sold out of the U.S. surplus fleet, however, a contractual restriction was placed upon their use which prohibits their operation as a means of transportation of passengers or cargo for hire, or as a means of transportation of proprietary cargo.

The Department of Transportation has interpreted this contractual restriction to preclude the utilization of these vessels in the U.S. fisheries in the manner which is now being contemplated. Because of this interpretation, Congress in 1980 adopted an act which provided a 2-year window for all of the owners of the surplus vessels to apply for permission to utilize these vessels in the U.S. fisheries. However, the owners of the vessel failed to apply for this permission. For this reason, legislation is now needed to correct this oversight. In addition, the new owner intends to receive fish from catcher vessels within the 3-mile limit. The transport of those fish to a U.S. port would be "coastwise trade." Former ownership by a foreign company renders the vessel ineligible for such "coastwise trade" under the Jones Act. While the vessel was United States built and is now United States owned, it was purchased in 1975 by a Panamanian corporation, which placed the vessel under the Panamanian flag and used it as a drilling platform. The proposed legislation therefore waives the application of the Jones Act for this purpose.

The vessel is now under contract for a major conversion in the United States at an estimated cost of $10 million. When the conversion is completed, the ship will employ between 100 to 150 people. Additionally, the vessel will utilize between 4 and 8 U.S. trawlers to provide it with the raw fish products necessary for the operation of the processing plant. Obtaining the required waiver for this vessel will result in increased jobs for U.S. workers.●

By Mr. BAUCUS (for himself, Mr. CHAFEE, Mr. PRYOR, Ms. MIKULSKI, and Mr. PELL):

S. 1149. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to limit application of the benefits and premiums of the Medicare Catastrophic Coverage Act of 1988 to those voluntarily enrolled in part B of the Medicare Program; to the Committee on Finance.

LIMITING MEDICARE CATASTROPHIC BENEFITS AND PREMIUMS TO MEDICARE PART B ENROLLEES

Mr. BAUCUS. Mr. President, today I am introducing the Catastrophic Coverage Choice Act of 1989.

My bill gives seniors the choice of participating in the Medicare Catastrophic Coverage Act.

Mr. President, let me explain why this bill is needed.

Montana's seniors and the seniors across the country are asking two questions about the Catastrophic Illness Program.

They want to know why the new Medicare coverage costs so much.

And they want to know why they are forced to take the coverage.

Well, we have new information showing that seniors may be paying more than is needed.

A big reserve is being built up at the expense of seniors.

We cannot balance the budget from these funds.

The cost of catastrophic coverage to seniors should be reduced.

But even if the cost is reduced, it is still not fair for this coverage to be jammed down the throats of Medicare beneficiaries.

No matter how good the coverage is—and I strongly believe it is the best buy there is for most seniors—they should still have that choice.

Making catastrophic coverage voluntary is not a new idea.

In fact, that is the way the Senate wanted it originally 2 years ago.

It was a good idea 2 years ago, and it is a good idea now.

Mr. President, the Catastrophic Coverage Act has many important and valuable benefits, benefits that protect seniors from getting wiped out by severe illness in a time of staggering health care costs, benefits that are the first small steps toward providing real long-term care benefits.

Those benefits have real value.

But let us give folks the choice, give folks the choice to decide whether or not they actually want to participate in the program.

I think they will keep the coverage. I think they will make that choice.

But at least they deserve to be treated with honor and respect and to decide for themselves what is best for them.

This bill gives them that choice.

I urge my colleagues to support me in this important effort.

Mr. President, I ask unanimous consent that the text of the Catastrophic Coverage Choice Act of 1989 be printed following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITING MEDICARE CATASTROPHIC BENEFITS AND PREMIUMS TO MEDICARE PART B ENROLLEES.

(a) MEDICARE PART A BENEFITS.—Part A of title XVIII of the Social Security Act is amended by inserting before section 1811 the following new section:

"LIMITING APPLICATION OF AMENDMENTS MADE BY MEDICARE CATASTROPHIC COVERAGE ACT OF 1988 TO PART B ENROLLEES

"SEC. 1810. Notwithstanding any other provision of this part, the amendments made to this part by the Medicare Catastrophic Coverage Act of 1988 shall not apply to any individual for services provided in any month unless the individual is enrolled under part B for that month.".

(b) LIMITING APPLICATION OF SUPPLEMENTAL MEDICARE PREMIUM TO MEDICARE PART B ENROLLEES.—Section 59B(f) of the Internal Revenue Code of 1986, as added by section 111(a) of the Medicare Catastrophic Coverage Act of 1988, is amended—

(1) by striking "medicare-eligible individual" each place it appears and inserting "medicare-enrolled individual";

(2) by amending paragraph (1) of subsection (f) to read as follows:

"(1) MEDICARE-ELIGIBLE INDIVIDUAL.—The term 'medicare-enrolled individual' means, with respect to any month, any individual who is entitled to benefits under part A and part B of title XVIII of the Social Security Act for such month."; and

(3) by striking paragraph (5) of subsection (f), and by redesignating paragraphs (6) through (8) of such subsection as paragraphs (5) through (7), respectively.

(c) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) shall take effect on January 1, 1990.

(2) The amendment made by subsection (b) shall apply retroactively to taxable years beginning after December 31, 1989.

Mr. CHAFEE. Mr. President, the bill that Senator BAUCUS and I are introducing today squarely addresses many of the concerns surrounding the new Catastrophic Coverage Act—that is, the bill we passed 2 years ago. The concerns have been aired at town meetings across the country over the last several months. These are the same concerns that were in the Finance Committee and most recently, in the last few days, right here on the floor.

Yesterday on the floor of the Senate, we adopted a sense-of-the-Senate resolution which directed the Finance Committee to take another look at the catastrophic program with an eye on addressing concerns about the supplemental premium—that is, the premium that is the percentage of one's income tax—and also the problem of duplicative coverage. I believe the bill that Senator BAUCUS and I are introducing today represents a reasonable and constructive tack for the committee to take.

Our bill, the Catastrophic Coverage Choice Act, addresses these concerns head on by making the new catastrophic coverage voluntary. In other words, nobody has to take it. You can opt out. You do not have to take part B. You do not have to take the supplemental. You do not have to take the catastrophic premium. You do not have your choice. It is not like a Chinese menu, where you can take some and not the other. You take either all or none of it, none of these options that I have just mentioned.

I have always thought that this program should be voluntary. Indeed, it was voluntary, Mr. President, in the bill which was drafted in our committee, the Finance Committee, and which was approved by the full Senate here. However, when we went to conference with the House, the provisions making the program voluntary were dropped, had to be dropped at the insistence of the House.

The bill we are intoducing today would, quite simply, reinstate the voluntary nature of the program by typing catastrophic coverage to Part B coverage. This would mean that any Medicare beneficiary could opt out of Part B, and thus out of catastrophic. Those who choose this option, as I mentioned earlier, would not pay either the Part B premium, the flat catastrophic premium, or the supplemental catastrophic premium.

This would give each beneficiary the opportunity to examine the benefits and the costs, and make an informed decision. Personally, I would opt in if I were in that situation, because I believe you cannot get better coverage for the price in the private market. The value of Medicare benefits as a whole—parts A, B, and catastrophic—is still significantly higher than the premium, even for those who will pay the maximum catastrophic premium.

I believe, in this program I helped write it 2 years ago, representing the Senate Finance Committee, along with the distinguished Senator from Maine, our leader. I believe that it is a good program for the citizens of the country to take advantage of. However, some do not want it. Some who perhaps might have coverage through a very extensive program that continues into retirement from their business career or perhaps those who are part of a Government program or a military retiree, they may find it is better to opt out and we ought to give them that opportunity. That is what this legislation does.

CBO has done a report that bears this out, showing that the government subsidy on Medicare benefits is substantial across all income categories—including those who will pay the maximum supplemental premium.

What this all means is that Medicare, as expanded by the new catastrophic coverage is a good deal—a good package of benefits at a below-market price. But as firmly as I believe that, I also believe that senior citizens ought to be able to make that choice for themselves, after reviewing the benefits, the costs, and any other plans they may have.

For example, our legislation would allow a Medicare beneficiary with a very generous retiree health benefit plan—whether from a private employer, the Federal Government, or other retiree health plan—to opt out of both part B and catastrophic. Some such plans provide extensive health care benefits under very generous terms—sometimes even free of charge. Under our bill, a person with such a plan could opt out and thus avoid duplication of benefits. This, we believe, is the best way to satisfy the concerns we have heard from those who have these very generous plans.

In summary, making the program voluntary is a reasonable way to resolve most, if not all, of the concerns surrounding the new catastrophic law. Under our bill, seniors who want the benefits could get them, and those who do not could opt out, by opting out of part B. It is as simple as that, and I hope my colleagues will give this proposal their favorable consideration.

Mr. PRYOR. Mr. President, I am pleased to join Senator BAUCUS in introducing the Catastrophic Coverage Choice Act of 1989. This legislation would achieve one simple, but extremely important result: it would give back an option that Medicare beneficiaries always have had in the past and, I believe, wish to continue to have now.

The bill we are introducing today would return the Medicare part B program, and the catastrophic health care benefits now included in the program, to a truly optional benefit. Without this measure, beneficiaries will be required to pay the supplemental premiums we all have been hearing so much about—even if they choose to forego the benefits included in part B.

Mr. President, every one of us have heard from thousands of our elderly constituents who have, to say the least, raised concerns about the Medicare Catastrophic Coverage Act. Many of them feel that the benefits included in the package are not worth the cost and are upset that they must pay the premium regardless of whether they want it or not.

As it turns out, and is often the case, our constituents appear to be right. The new law does not offer Medicare beneficiaries the option to opt out of part B and it does appear to be overcharging them for the benefits they are receiving. In fact, unless we do something, the supplemental premium required by the law may raise billions more than is necessary to pay for the benefits.

I believe that both of these concerns should be addressed. I have advocated and will continue to advocate that we find ways to return funds collected through the premiums that are over and above what is necessary to adequately fund the new law. In addition, as I did when we passed the Senate version of the catastrophic health care

bill, I support retaining the optional status of the part B program. Moreover, last night, the Senate and the Senate Finance Committee, in particular, made a commitment to address these issues prior to September of this year. Today, I am building on that commitment by joining the senior Senator from Montana in introducing the Catastrophic Coverage Choice Act of 1989.

Although many believe there are shortcomings in the catastrophic health care bill, there should be no question where I stand on the Medicare part B benefit and its catastrophic health expansions. In my mind, the Medicare benefit offers the most cost-effective insurance protection available now or likely to be developed in the future. The added protections are needed and need to be retained. However, beneficiaries also need to be given the choice to decide for themselves. The bill we are introducing today gives them that choice.

Mr. President, the Catastrophic Coverage Choice Act is not perfect. Few bills can claim that distinction when first introduced. It does not address all the concerns of the people and the organizations from whom we have heard. On the one hand, such groups as the Federal retirees, may be pleased to see we will not be mandating their participation. On the other hand, there is little question that they and others have additional important concerns that still need to be addressed. It is, however, an important starting point that provides another clear signal of our desire to move on this issue.

It should not be too surprising if this idea sounds familiar to my colleagues. It was the approach taken by the Senate-passed version of the catastrophic health care bill. I believe it was a good idea then, and remains a good idea now. I hope all my colleagues will join with us in supporting this important piece of legislation.

By Mr. CONRAD (for himself and Mr. DASCHLE):

S. 1150. A bill to provide for the payment by the Secretary of the Interior of undedicated receipts into the Refuge Revenue Sharing Fund; to the Committee on Environment and Public Works.

REFUGE REVENUE SHARING FUND ACT

Mr. CONRAD. Mr. President, I rise today to introduce legislation that will help ensure that local governments receive fair compensation for lands that are developed into national wildlife refuges. I am pleased that Senators DASCHLE, LOTT, GORE, and LEVIN have agreed to be original cosponsors.

In 1935, the Refuge Revenue Sharing Act was enacted into law. The act provided for Federal payments to units of local government in partial compensation for property tax revenues lost when land is transferred to Federal control for a wildlife refuge. These payments originally came out of revenues received by the Department of Interior from sales of timber and other products, and from leases for public accommodations or facilities near wildlife refuges. As time passed, these revenues were not sufficient to provide all of the money needed for the fund, and a congressional appropriation became necessary.

In recent years the appropriation has fallen victim to tight budgets and, as a result, only partial payments have been made to local governments. Last year only 59 percent of the payments were made. This has caused severe hardship in many counties which have national wildlife refuges within their jurisdiction, and it is becoming a disincentive to States to turn over more lands for refuges.

The legislation which is being introduced today will require the Secretary of Interior to make up the shortfall in the Refuge Revenue Sharing Fund with any undedicated revenues under his control. This will ensure that local governments are fully compensated according to the payment formulas already embodied in the Refuge Revenue Sharing Act.

The U.S. Fish and Wildlife Service controls more land in North Dakota than in any other State except Alaska and California. Some counties have a large percentage of their land invested in refuges, and payments under this program are critical to their survival. Some States and counties are beginning to question the wisdom of turning over more land to the Federal Government if adequate compensation is not forthcoming.

Mr. President, we cannot let this underfundng continue. When the Refuge Revenue Sharing Act was enacted into law over 50 years ago, the Federal Government made a promise to the States and local governments that they would be fairly compensated for giving up lands for wildlife refuges. By not meeting this obligation, the Federal Government is now jeopardizing our ability to protect our wildlife by providing shelters for this most precious resource. We're not talking about a shortfall of billions or hundreds of millions of dollars, but less than 7 million dollars. That's all it will take to make full payments to local governments this year. Seven million dollars—to ensure that land will be available when it's needed for the continued development of national wildlife refuges.

Mr. President, the bottom line is this: The Federal Government is not paying its fair share. The Government made a promise more than 50 years ago—and for the last 10 years, hasn't kept that promise.

Every landowner out there pays property taxes—every landowner except the Federal Government. If we want to encourage States to turn over land for wildlife refuges, we've got to start keeping our promise, and compensate them for the taxes they lose.

Mr. President, I ask unanimous consent that this article from the Fargo Forum, Fargo, ND, which describes the problems that citizens are facing from shortfalls in the Refuge Revenue Sharing Program, be included along with my remarks and a copy of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1150

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Refuge Revenue Sharing Fund Act of 1989".

SEC. 2. PAYMENT OF UNDEDICATED FUNDS.

Notwithstanding any other provision of law, undedicated receipts equal in amount to the Refuge Revenue Sharing Fund shortfall that are collected by the Secretary of the Interior in a fiscal year shall be—

(1) covered into the United States Treasury,

(2) reserved in the Refuge Revenue Sharing Fund, and

(3) paid to counties as required by section (c) of the Refuge Revenue Sharing Act (16 U.S.C. 715s(c)) without necessity for appropriation by law.

SEC. 3. DEFINITIONS.

For the purposes of this Act—

(1) the term "Refuge Revenue Sharing Act" means section 401 of the Act entitled "An Act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934, and certain other Acts relating to game and other wildlife, administered by the Department of Agriculture, and for other purposes", approved June 15, 1935 (16 U.S.C. 715s);

(2) the term "Refuge Revenue Sharing Fund" means the fund established by section (a) of the Refuge Revenue Sharing Act (16 U.S.C. 715s(a));

(3) the term "Refuge Revenue Sharing Fund shortfall" means the amount by which—

(A) the amount necessary to make the full payments to counties required by section (c) of the Refuge Revenue Sharing Act (16 U.S.C. 715s(c)) in a fiscal year exceeds

(B) the amount appropriated to the Refuge Revenue Sharing Fund for that fiscal year,

not to exceed $20,000,000 in a fiscal year; and

(4) the term "undedicated receipts" means all monies that the Secretary of the Interior is authorized to collect that are not required by law to be paid to a particular person or entity or into a particular fund (other than miscellaneous receipts in the United States Treasury).

IN-LIEU-OF-TAX PAYMENTS NEED CONGRESSIONAL ACTION

(By John Lohman)

It's time for Congress to do something about in-lieu-of-tax payments.

If it really is a desire of this nation to preserve, improve and acquire land in the prairie pothole states and other areas of the nation for waterfowl, it also is the duty of

Congress to assure it's not done at the expense of local government and local taxpayers.

In-lieu-of-tax payments under the federal Refuge Revenue Sharing Act seldom have met full entitlement due taxing entities—principally counties and school districts.

The act provides for calculating county entitlement on the basis of 25 percent of net receipts collected for activities (such as having, grazing and oil wells) on FWS lands; or three-quarter of 1 percent of the current market value, or 75 cents per acre.

Under a 1978 amendment, Congress was given authority to make up deficits through special appropriations and it called for fair market value appraisals on all FWS lands at least once every five years.

In North Dakota, for example, the three-quarter of 1 percent of fair market value results in the greatest amount for a payment to a county for in-lieu-of taxes.

The U.S. Fish and Wildlife Service budgets for full entitlement, and the Office of Management of Budget cuts the funds. Congress, which has the final responsibility, fails to appropriate the monies and what is appropriated is divided among the entities having such lands.

For example, during the past 10 years, the payments only once have reached 100 percent. They have been as low as 52 percent.

If you were in business in the private sector, you wouldn't last long if you did what Congress is doing. You probably would get thrown in jail or have the property forcibly sold to meet tax obligations.

ISSUE IS NOT NEW

The issue is not new. It has been rolling around out here a long time.

Our senators and representatives have attempted to address it, but apparently they just don't have the clout needed to bring the issue to a head and get Congress to pay its bills.

The current battle over the proposed Hamden Slough National Wildlife Refuge in the Audubon, MN, area and the recent conflicts in Sargent County in North Dakota are in part due to the failure of Congress to meet its commitments.

There are other issues, also, such as some landowners just don't want any government ownership. That issue is sometimes the reason for the big battle cry over in-lieu-of taxes.

In order to overcome the in-lieu-of-tax opposition, landowners and others have been setting aside an escrow account on some tracts being purchased by the FWS so that local entities receive their fair share. Some of these escrow accounts are being taken out of the pockets of the sellers. Is that fair?

Lloyd Jones, manager of the U.S. Fish and Wildlife Service wetland office in Bismarck, said nationwide the shortfall only runs $6 million to $9 million annually to bring entitlements to full value. Now, in a Congress that deals with trillions of dollars and wants to take 50 percent pay raises, is that a lot of bucks? No!

BEGINNING TO BE HEARD

Jones and others I talked with on the issue feel Congress and major conservation organizations around the nation are beginning to look at the problems and throw some support behind getting Congress to allocate funds for full entitlement.

The National Wildlife Federation has been a supporter of Congress providing full funding.

Now, if we can just get our congressmen to be heard, maybe we could avoid the conflicts that are now raging and the possible loss of key areas.

Time is running out. We can't lose future areas such as the proposed Hamden refuge.

It seems strange that we can pour millions into the Conservation Reserve Program, but can't solve little problems like in-lieu-of-tax payments.

The Hamden Slough area is not only important, but is vital to help preserve our waterfowl resources.

If our forefathers hadn't taken the time and effort to set aside areas such as Yellowstone or Glacier National Park or Itasca State Park in Minnesota, what would we have today?

Certainly, there is more at stake in the Hamden Slough issue than just the tax payment. That possibly can be solved for the long term by an escrow account.

It will take compromise from all involved. There are hard decisions to be made, but they must be made for the benefit of the state and nation and not just for the feelings of a few.

Those giant Canada geese doting the landscape didn't come about by accident, it has taken time and efforts on the part of many. The trumpeter swan program in Becker County also is not just a one-person effort or short-term either.

Those are the fruits we derive, not only for today but for the future, when an area is preserved, improved and set aside to sustain a natural resource.

Yes, dollars are a problem, but really the issue should not be insurmountable to a people that can put a man on the moon.

Mr. DASCHLE. Mr. President, I rise today to join my distinguished colleague from North Dakota, Senator CONRAD, in introducing the Refuge Revenue Sharing Fund Act of 1989.

I want to acknowledge the diligent work of Senator CONRAD on this issue. Refuge revenue sharing is not a glamorous issue; it does not involve large sums of money; and the problem is spread out over the whole country. But the problem has festered for almost a decade now, and every year the consequences are felt more deeply. Senator CONRAD has taken the initiative in this difficult area and proposed a very sensible solution.

The problem of which I speak is the unfulfilled Federal commitment to counties hosting our National Wildlife Refuges and Waterfowl Protection Areas. The Refuge Revenue Sharing Act was enacted in 1935. Under the act, the Federal Government was given the authority to fairly compensate local governments for real estate taxes lost when lands owned by the Federal Government are located within the local government's jurisdiction. Unfortunately, the appropriations are not mandatory and have fallen to a point where, in recent years, only about 60 percent of the payments have been made.

In my home State of South Dakota, local governments were owed $271,246 under the Refuge Revenue Sharing Act in 1988. However, South Dakota only received $192,828. While a shortfall of almost $80,000 is not a major issue in many areas, in South Dakota it makes a real difference. It is money that local governments should be able to count on when making their budgets and assessing their local revenue needs.

The impact of the shortfall in refuge payments goes far beyond lost revenues. The delinquency is poisoning relations between the Federal Government, represented by the U.S. Fish and Wildlife Service, and local governments. In South Dakota, six counties—Brown, Clark, Codington, Day, Deuel, and Kingsbury—have announced that they will disapprove any Federal attempts to acquire land within their jurisdictions. This comes at a time when concerns about disappearing wetlands have caused national response from positions as high as the Presidency. Waterfowl populations are plummeting, water quality is declining, and flood severity is increasing as wetland values are lost.

I ask my colleagues how the noble ambitions of the North American waterfowl plan and other efforts to protect wetlands can be achieved if the Federal Government will not even pay off its modest debts to our counties?

To have both proper natural resources management and cooperation between the Federal Government and the people of our States is essential. By making the U.S. Fish and Wildlife Service and the U.S. Government shirkers of their debt, we undermine the credibility of our resource professionals, and we stymie efforts to protect our natural resources.

I remind my colleagues that I am speaking about a very modest sum of money. True to the trend since 1981, President Bush has recommended that only $6.65 million of $13.35 million be funded in fiscal year 1990. The shortfall is therefore $6.7 million. In past years, Congress has not opted to remedy the refuge deficit. Senator CONRAD and I propose that undedicated receipts—receipts returned to the General Treasury each year—from the Department of the Interior be used to make up the shortfall. In 1988, undedicated receipts from the Department of the Interior totaled $1.9 billion. To repeat, this year the refuge shortfall is a mere $6.7 million.

Very simply, I believe that the Federal Government should not purchase 1 more acre if it is not willing to honor its debts to local governments. The bill being introduced would solve this problem. The beneficiaries will be every State and local community with refuge lands, Federal-local relations and finally, our land, water, and wildlife.

By Mr. HELMS:

S. 1151. A bill to support democracy and human rights in the People's Republic of China and Tibet; to the Committee on Foreign Relations.

DEMOCRACY, LIBERTY, AND JUSTICE IN THE PEOPLE'S REPUBLIC OF CHINA ACT

Mr. HELMS. Mr. President, on Tuesday, both the Senate and the House passed resolutions commending the President of the United States for his forthright actions on behalf of freedom in Communist China.

The President announced Monday that the United States would immediately suspend all government-to-government sales and commercial exports of weapons, immediately suspend all visits between the United States and Chinese military officials, treat sympathetically requests by Chinese students in the United States to extend their stay in our country, and offer humanitarian and medical assistance through the International Committee of the Red Cross to those injured during the assault on Beijing.

I was one of the four principal cosponsors of the Senate resolution. The leadership, the distinguished majority leader, and the distinguished minority leader, the distinguished chairman of the Foreign Relations Committee, and I, as ranking Republican on that committee. I was cosponsor because, among other reasons, the four steps that President Bush took were steps that I had urged him to take as soon as, in the early hours of June 4, the magnitude and the brutality of the massacre began to emerge. The President's actions are thoroughly commendable and appropriate.

But the crisis in China continues. It continues to develop into one of the historical, significant events of our time. Elements of the People's Liberation Army continue to fire on the Chinese people, some tanks have left Beijing, but martial law is still in effect and no attempt has been made to address the human and civil rights of those seeking democratic reform.

The leaders of the Communist government remain silent, and even out of sight, while their future plans are concealed. We must not be surprised if those plans include purges in the military and the party with massive executions. This is the way Communist governments, wherever they are, always operate. When they are challenged by their own people, the killing begins.

Nevertheless, the Chinese people are heroic in the face of this new oppression by the Chinese Government. Who can forget the television scenes of that single Chinese citizen who, unarmed and absolutely alone, stalked up to a moving tank, forced it to stop, forced, indeed, the whole column of tanks to stop while he lectured the crew inside? In a sense, that one patriotic citizen stood for all the students, for all the world and for all Chinese who have been standing up to the present oppressive Communist regime in China.

Mr. President, before us lies a massive power struggle, paradoxically taking place in full view of the world but, in reality, out of sight. The Communist leaders of China are at this very moment taking counsel saying to themselves, have we lost the mandate of the people? How do we hold on to our power? What steps should we take? Well, we must make certain they do not take steps more bloody and more repressive than they have already taken. If there is an escalation of violence, the President of the United States must do more, and I am persuaded that he will do more. I will stand with him and assist him in any way I can, which is the purpose of my being here at this moment on the floor of the U.S. Senate.

I am introducing legislation today setting forth a few minimal standards of what must be done in the event of a continuation of the brutality and murder and oppression that we have already seen, that the world has already seen. The present Communist regime in China has already demonstrated its illegitimacy by attacking their own people, the Chinese people. First of all, the American Government must do nothing which will strengthen the present illegitimate regime in Beijing, and especially not even economically.

So the bill I am introducing today, of course, commends the President of the United States for the actions already taken. It affirms those actions, but it also emphasizes the fact that we simply cannot have business as usual if the murder rampage resumes or is continued.

In that event, my legislation would roll back trade and related matters to the level at which these relations stood before the start of this decade. It would stop the trade development program with Communist China. It would suspend most-favored-nation treatment, and it would instruct United States representatives to vote against benefits in IBRD, the IFC, and the Asian Development Bank. It would suspend Export-Import Bank loans and OPIC guarantees and, last, it would suspend licenses for high-technology exports on the munitions control list and it would disapprove exports on the Cocom list.

That is just the next step. There are many other things that we could do, but this legislation represents the next rung on the ladder for the things the President of the United States can do and should do in the event the brutality and bloodshed should resume and should it continue in Communist China.

Let me make one thing clear. I emphasize that these sanctions, as stated in the bill I am about to introduce, are contingent upon what the Chinese Government does from this point on. It would not go into effect if the government of Communist China ceases its sustained campaign of violence, or if it lifts martial law, or if it has taken substantial steps to provide the people of China and Tibet with democracy, liberty, and justice. I do not suggest, Mr. President, that we try to hold our breath until Communist China does any or all of these things.

The question has been raised as to whether these sanctions would hurt the Chinese people. But that is hardly the question when unarmed Chinese people are being gunned down in the streets of their own cities. Which hurts more? To be gunned down in the street or to be denied high technology arms exports useful mainly to the illegitimate Communist regime?

Mr. President, there were two disturbing reports from China yesterday. First, the head of the Chinese equivalent of the Soviet KGB reportedly has been named General Secretary of the Chinese Communist Party. Mr. Qiao is chairman of the Central Discipline Inspection Commission and Secretary of the Political and Legal Commission. Second, the notorious 27th Army is firmly in control of Beijing at this moment.

Some of its soldiers shot into the U.S. diplomatic compound and into one of the international hotels. We are all familiar with the news reports as to those and other incidents.

The struggle that is underway in Communist China at this moment is of profound consequence for the strategic interests of the United States. Our relationship with Communist China has been built upon the premise that China "balances" the power of the Soviet Union, acting as a restraining influence on the Soviets in world affairs.

But some of us have been saying that Communists are Communists, and when push comes to shove, it will take but one telephone call for the two Communist governments to get together.

In fact, according to European analysts with whom I have been in touch, those who have been involved in the crackdown are precisely those who have been most closely allied with the Soviet Union. And if they succeed, the budding alliance between Communist China and Communist Soviet Union may turn the China card, so-called, inside out.

The key leader of the crackdown factions is Yang Shangkun, an 82-year-old veteran military figure. Yang presides over a powerful clan which holds key positions. His younger brother, Yank Baibing, is head of the general political department of the People's Liberation Army, and his son-in-law, Chi Hastian, is the Chief of the General Staff. One of his nephews, Yang She, is in command of the 27th Army which, of course, was the military force that massacred those students who were pleading for freedom over

the weekend. And all of us are familiar with that story.

Mr. President, nobody knows the outcome of these machinations. In the tragedy of the past few days, we have seen the Communist government of China reveal its true nature, this time by brutalizing the Chinese people. We have before us a government which is illegitimate by every standard of the Chinese tradition.

Mr. President, the present regime, the Communist regime in China, has lost the mandate of the people or, as Confucius says, the mandate of Heaven. That is the way Confucius put it. According to that tradition, Heaven cares about people and provides a king—in this case the government—to secure their moral education and temporal well-being, in that order. And if the King, meaning the government, should forget his purpose and begin to rule for personal advantage, Heaven will withdraw the mandate and bestow it upon somebody else. And that is precisely what the young people of Beijing are asking.

In that classical tradition, Mr. President, a legitimate government is one that the people follow freely because it meets the moral criteria set by Heaven, as emphasized by Confucius. Indeed, the more perfectly government exemplifies moral principles, the less compulsion should be necessary. Thus, any government which resorts to force and violence and cruelty and brutality in all but the gravest of circumstances is to that extent a failure. Killing the people, whether through incompetence or misrule, as the philosopher Mencius said, is the same as murder, and violence directed against the innocent is the highest of all crimes.

Mr. President, the ruthless brutality which the world has witnessed during the past several days demonstrates clearly that the Communist regime in China has lost its mandate, and we must be prepared to support those elements in China which are working to restore traditional morals and traditional freedom.

Mr. President, I ask unanimous consent that the text of the bill that I am introducing today be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, I further ask unanimous consent that a question-and-answer sheet which I have prepared relating to my bill be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. President, I ask unanimous consent that a study of the legal analysis of the Beijing regime's actions prepared by the Far East Law Division of the Library of Congress at my request be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1151

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled,

SECTION 1. TITLE.

This Act shall be known as the Democracy, Liberty and Justice in the People's Republic of China Act of 1989.

SEC. 2. FINDINGS.

The Congress finds that—

(1) the government of the People's Republic of China is now attempting to crush the democracy and reform movement in China through the use of wanton violence by the People's Liberation Army;

(2) the United States Congress condemns the brutal actions taken by the People's Liberation Army and the Government of the People's Republic of China against the Chinese people during peaceful, non-violent demonstrations for democratic change;

(3) the government of the People's Republic of China has used the People's Liberation Army to crush brutally the freedom movement in Tibet on several occasions;

(4) fundamental human, political and economic rights are denied to the people of China and the people of Tibet by the Government of the People's Republic of China;

(5) the President of the United States has announced that the United States would immediately suspend all government to government sales and commercial exports of weapons, immediately suspend all visits between the United States and Chinese military officials, treat sympathetically requests by Chinese students in the United States to extend their stay, and offer humanitarian and medical assistance through the International Committee of the Red Cross to those injured during the assault on Beijing; and,

(6) the President of the United States is to be commended for his forthright action.

SEC. 3. CONDITIONS UNDER WHICH SANCTIONS SHALL BE IMPOSED.

The sanctions provided for in this Act shall take effect 10 days after the date of enactment of this Act unless the President certifies to Congress prior to such date, that following the massacre of June 3/4, 1989, the Government of the People's Republic of China—

(1) has not carried out a sustained campaign of violence against unarmed civilians;

(2) has lifted martial law; and,

(3) has made significant progress in providing for democracy, liberty and justice in Tibet and the People's Republic of China.

SEC. 4. SUSPENSION OF U.S. ASSISTANCE.

(a) Notwithstanding any other provision of law, the Export-Import Bank shall not finance trade with the People's Republic of China and no loan, credit, credit guarantee, or insurance may be extended by any agency of the United States Government, including the Overseas Private Investment Corporation, with respect to the People's Republic of China.

(b) No funds appropriated or otherwise made available by law shall be available for activities of the Trade Development Program in, or for the People's Republic of China.

(c) The Secretary of State is urged to encourage allies of the United States to suspend any of their own programs providing similar support to the People's Republic of China.

SEC. 5. SUSPENSION OF TRADE BENEFITS AND COMMERCIAL RELATIONS.

(a) The President shall not extend to the products of the People's Republic of China the preferential treatment provided for under the Generalized System of Preferences (GSP), regardless of whether that country obtains entry to the General Agreement on Tariffs and Trade (GATT).

(b) The waiver granted to the People's Republic of China by the President under 19 USC 2432 (c) and (d) is suspended.

(c) The Secretary of the Treasury shall instruct the United States Executive Directors to the International Bank for Reconstruction and Development, the International Development Assocation, the International Finance Corporation, and the Asian Development Bank to—

(1) vote against or otherwise disapprove any loan, grant, or other form of economic or technical assistance to the People's Republic of China;

(2) propose and support the downgrade of the membership status of the People's Republic of China to that of "observer status"; and

(3) urge allies of the United States to support actions taken by the United States Executive Directors pursuant to this section.

(d) The United States Trade Representative shall instruct the United States Representatives to GATT to propose and support the suspension of "observer status" for the People's Republic of China at GATT.

(e) No funds appropriated or otherwise made available by law shall be available for the purpose of concluding or supporting any commercial agreement with the People's Republic of China.

(f) No funds appropriated or otherwise made available by law shall be available for participation of the United States in the United States-China Joint Committee on Commerce and Trade and the United States-China Commission on Trade.

SEC. 6. SUSPENSION OF EXPORT LICENSES.

(a) All licenses currently issued for export of items on the United States Munitions Control List or on the Commercial Control List are suspended.

(b) No funds appropriated or otherwise made available by law shall be available for the processing or issuance of licenses required to export items on the United States Munitions Control List or items on the Commercial Control List for any item destined for the People's Republic of China.

(c) The Secretary of State shall instruct the United States Representative to COCOM to vote against or otherwise disapprove the export of any COCOM controlled items by any COCOM participating country to the People's Republic of China.

(d) The Secretary of State is urged to encourage the allies of the United States to join United States efforts to vote against or otherwise disapprove the export of any COCOM controlled items to the People's Republic of China and suspend the export of other military items and advanced technology.

SEC. 7. LIMITATION ON IMPORTS FROM OTHER COUNTRIES.

The President is authorized to limit the importation into the United States of any product or service of a foreign country to the extent to which such foreign country benefits from, or otherwise takes commer-

cial advantage of, any sanction or prohibition imposed by or under this Act.

SEC. 8. PRIVATE RIGHTS OF ACTION.

(a) Any national of the United States who is required by this Act to terminate or curtail business activities in the People's Republic of China may bring a civil action for damages against any person, partnership, or corporation that takes commercial advantage or otherwise benefits from such termination or curtailment.

(b) The action authorized by this section may only be brought without respect to the amount in controversy, in the United States district court for the District of Columbia or the Court of International Trade. Damages which may be recovered include lost profits and the cost of bringing the action, including a reasonable attorney's fee.

(c) The injured party must show by a preponderance of the evidence that the damages have been the direct result of defendant's action taken with the deliberate intent to injure the party.

SEC. 9. SUSPENSION OF MILITARY-TO-MILITARY COOPERATION.

No funds appropriated or otherwise made available by law shall be available for United States military cooperation with the People's Republic of China.

SEC. 10. SUSPENSION OF SCIENCE AND TECHNOLOGY COOPERATION.

No funds appropriated or otherwise made available by law shall be available for United States participation under any U.S.-China agreement or protocol on scientific cooperation.

SEC. 11. CHINESE AND TIBETAN STUDENTS IN THE UNITED STATES.

Until the President certifies to Congress that the human rights of the Chinese and Tibetan peoples are recognized and respected by the Government of the People's Republic of China, the Attorney General shall treat sympathetically requests by students from Tibet and the People's Republic of China studying in the United States for Extended Voluntary Departure status.

SEC. 12. CONDITIONS UNDER WHICH SANCTIONS MAY BE LIFTED.

The sanctions provided for in this act shall not apply when the President determines and so certifies to Congress that the Government of the People's Republic of China—

(1) is no longer carrying out a sustained campaign of violence against unarmed civilians;

(2) has lifted martial law; and

(3) has made significant progress in providing for democracy, liberty and justice in Tibet and the People's Republic of China.

[From the Library of Congress, Far Eastern Law Division, June 1989]

LEGAL ASPECTS OF RECENT CHINESE GOVERNMENT ACTIONS AGAINST DEMONSTRATORS

(Prepared by Tao-tai Hsia, chief, and Constance A. Johnson, legal research analyst)

Under the 1982 Constitution of the People's Republic of China (PRC), the citizens have the right to freedom of speech, of the press, of assembly, or association, or procession, and of demonstration (art. 35). In addition, the Constitution states that freedom of person of PRC citizens is inviolable (art. 37), and that citizens have the right to criticize their government and that no one is to suppress such criticisms or to retaliate against the citizens making them (art. 41). By opening fire on the crowd in Tiananmen Square, the Chinese troops have violated these very basic tenets of the Constitution.

In addition, the government of the PRC have violated its Criminal Code, enacted in 1979, which states, "The rights of the person, the democratic rights, and the other rights of citizens are to be protected and are not to be unlawfully infringed by any person or any organ" (art. 131).

Clearly, citizens have been attempting to express their complaints to the government through the exercise of freedom of speech, assembly, and demonstration in the Chinese capital and in other cities for more than a month; rather than protecting these rights, by moving in troops, the PRC government has itself violated them.

Furthermore, the United Nations charter states that one of the basic purposes of that organization, of which China is a member, is to "reaffirm faith in fundamental human rights." The Universal Declaration of Human Rights, which refers to this clause in the Charter, states in article 3 that everyone has the right to life, liberty, and security of person. Articles 19 and 20 refer to the rights to freedom of opinion and expression and to peaceful assembly. China has ignored all of these statements by its actions in the last few days.

In the last week, the PRC authorities have claimed that the student demonstrators, or at least their leaders, have been guilty of crimes of counterrevolution. Under Chinese law, however, at most they may be guilty of violating not the Criminal Code, but only the Regulations on Offenses against Public Order, enacted in 1986. These regulations do prohibit disruption of social order (art. 2 & 19) and the failure to adopt good safety measures in organizing mass rallies (art. 20). The maximum penalties under these regulations include 15 days of detention or a fine. There are also Beijing city provisions on parades and demonstrations, enacted on an interim basis following student demonstrations in December 1986. Article 3 of the city provision requires organizers of demonstrations to apply to the public security office for approval; it is unlikely that the students have done this. However, these regulations also do not carry criminal sanctions.

All of these Chinese laws, the Constitution, the Criminal Code, and the Regulations on Offenses Against Public Order, where adopted during the Deng Xiaoping era, as a part of his efforts to develop the legal system of the PRC.

[From the Library of Congress, Far Eastern Law Division, June 1989]

THE LEGALITY OF THE IMPOSITION OF MARTIAL LAW UNDER THE CHINESE CONSTITUTION

(Prepared by Tao-tai Hsia, chief, and Constance A. Johnson, legal research analyst)

The 1982 Constitution of the People's Republic of China (PRC) has a number of provisions on martial law. Article 89, paragraph 16, states that it is the function of the State Council to decide on the imposition of martial law for a part of a province, an autonomous region, or a city administered directly under the central government (such as Beijing). Article 67, paragraph 20 states that it is the function of the Standing Committee of the National People's Congress to decide on the imposition of martial law when it is for the whole country, or for a whole province, automomous region, or city administered directly under the central government. Finally, article 80 requires that the President of the PRC issue proclamations of martial law in pursuance of the decisions of the National People's Congress and its Standing Committee.

Li Peng is currently the Premier, the head of the State Council. As such, it is consistent with the Constitution that he decide on the imposition of martial law for a part of the city of Beijing. However the decision can only be formally proclaimed by the President (Yang Shangkun). It is not clear whether this step was taken. Furthermore, the proclamation of the President can only be made on the basis of the decision of the National People's Congress and its Standing Committee. Neither the full Congress nor the Standing Committee was in session when martial law was declared and there have been no reports of either body taking any such action. For this reason, the legality of the recent imposition of maritial law may be questioned.

[From the Library of Congress, Far Eastern Law Division, June 1989]

THE CRIME OF COUNTERREVOLUTION IN THE PEOPLE'S REPUBLIC OF CHINA (PRC)

(Prepared by Tao-tai, Hsia, chief, and Wendy I. Zeldin, legal research analyst)

According to article 90 of Chapter 1, "Crimes of Counterrevolution," of Part II ("Special Provisions") of the Criminal Code of the PRC, "All acts endangering the People's Republic of China committed with the goal of overthrowing the political power of the dictatorship of the proletariat and the socialist system are crimes of counterrevolution." [1] The key word in this definition insofar as the Chinese students accused by the government of counterrevolutionary crimes are concerned is "the goal." The students declared that they wanted, among other things, more freedom of publication, punishment of corrupt bureaucrats and speculators, and improvements in the lot of intellectuals, but they did not state that they wanted to overthrow the government or even the Communist Party.[2]

The section on crimes of counterrevolution has itself come under increasing scrutiny and criticism. A prominent jurist has proposed in a recent article that the section on counterrevolutionary crime be revised, because it is vague and confusing and makes it difficult for judges to determine which cases are of a counterrevolutionary nature.[3] In his view, under China's new policy of opening up to the outside world, citizens have the right to participate in political activity, to hold discussions about politics, and to express their views, including critical or opposing views, vis a vis state policies, so that the old concept of counterrevolutionary crime is tantamount to a sword of Damocles hanging over everyone, because anyone with a different view from that of the Party and government could become suspected of being a counterrevolutionary. The jurist believes, therefore, that the term "counterrevolutionary crime" should be abolished, to prevent it from hampering the

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[1] *The Criminal Law and the Criminal Procedure Law of China* 35 (Beijing, Foreign Languages Press, 1984. J. Cohen, T. Gelatt, and F. Li, *trans.*). The Criminal Law was adopted by the National People's Congress on July 1, 1979, and became effective as of January 1, 1980. The Chinese version of the provision cited appears on page 89 of the same work.

[2] *See for example Liberation* (Paris, in French), Apr. 24, 1989, at 24, as cited in Foreign Broadcast Information Service, *Daily Report: China*, May 1, 1989, at 9 [hereinafter FBIS]. In an interview, a student leader listed in all seven demands of the movement.

[3] Zhou Zhenxiang, "My Views on Revising the Provisions on Crimes of Counterrevolution," 88 *Faxue* [Law Science] 17-19 (Mar. 1989).

above-mentioned forms of political expression and participation. He goes on to state that there are also problems with the content of counterrevolutionary crime as defined in the Law, preeminent among them that the absolute requirement for constituting a counterrevolutionary crime is that it be committed with the goal of engaging in counterrevolutionary acts. He considers this a subjective way of looking at a person's behavior rather than an objective assessment of the facts. As a result of the recent reconsideration of the subject, there has even been a move to have the Standing Committee of the National People's Congress deliberate removal of the offense of counterrevolution from the Criminal Law.[4]

DEMOCRACY, LIBERTY, AND JUSTICE IN THE PEOPLE'S REPUBLIC OF CHINA ACT OF 1989

Question. What is the purpose of this Act?

Answer. The Congress has already passed Sense of the Congress resolutions urging the PRC leadership not to shoot unarmed demonstrators. Thousands are now dead. This sanctions legislation shows the seriousness with which the Congress views human rights and democracy in China.

Question. Do the sanctions go into effect on enactment?

Answer. This is contingency legislation which goes into effect only if the President determines that the PRC leadership has renewed its warfare on the Chinese people.

Question. Is this a full trade and economic embargo?

Answer. No. This is an intermediate step to roll trade and other relations back to about 1979 levels.

Question. What are the sanctions?

Answer. First, it confirms the actions already taken by the President including cutting off arms sales. Then, it puts Chinese goods on the same level as Soviet goods for import purposes (removes Most Favored Nation privileges) and denies high tech exports. It also suspends scientific, and other agreements.

Question. Can our competitors take advantage of these sanctions?

Answer. The sanctions are designed to be part of an international program with our allies. If the Chinese Communist leaders renew warfare against their own people, allied governments will want to take similar actions. However, the Act does contain provisions designed to discourage foreign firms from taking commercial advantage of the Chinese tragedy.

Question. Will these sanctions have any effect?

Answer. Chinese trade has expanded several fold in the past ten years and the Chinese economy has become very dependent on high tech imports from the Free World. Denial of these inputs should put substantial pressure on the PRC leadership.

Question. Doesn't the President already have the authority contained in this Act?

Answer. Yes, if he declares a National Emergency under the International Emergency Economic Powers Act (IEEPA). The legislation being considered here would make it clear that the President could exercise this authority without declaring a National Emergency.

Question. Can these sanctions be lifted?

Answer. Yes, if the President determines that significant progress has been made providing for democracy, liberty and justice in the PRC. There is no Congressional override provision.

[4] *South China Morning Post* (Hong Kong, in English), Mar. 31, 1989, at 10, as carried in FBIS, Mar. 31, 1989, at 25.

By Mr. GORTON:

S. 1152. A bill to authorize a certificate of documentation for the vessel *American Empire;* to the Committee on Commerce, Science, and Transportation.

DOCUMENTATION OF VESSEL "AMERICAN EMPIRE"

● Mr. GORTON. Mr. President, I am introducing a bill today to direct that the fish processing vessel, *American Empire,* be entitled to engage in the coastwise trade and be issued a coastwise license under 46 U.S.C. 12106. The *American Empire*—official Coast Guard No. 553645—is a crab processing vessel owned by American Empire Limited Partnership of Seattle, WA. The vessel was built by Halter Marine in Moss Point, MS, in 1973 as an offshore supply vessel. It was then registered in the United States and operated by Euro-Pirates International of New Orleans, LA. It was subsequently registered in Panama by its second owner, Zapata Corp. American Empire Limited Partnership bought the vessel in 1988 and had it converted in an American shipyard to a crab processing vessel at a cost of $4,750,000. The vessel is 171.5 feet long, and its gross tonnage is 280 tons.

The new owner of the vessel would like to use it in the domestic fisheries. In addition, it would be used to transport merchandise—that is, fish products—from Alaska to Seattle, WA and other points in the United States. The Jones Act, section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883) prevents the *American Empire* from possessing a coastwise license because it was once under foreign registry. For the same reason, the vessel may not engage in the domestic fisheries. The vessel is U.S.-built and owned. The purpose of the legislation I am introducing today is to allow the *American Empire* to receive a coastwise license notwithstanding its prior foreign registry and to permit it to engage in the domestic fisheries.●

By Mr. DASCHLE (for himself, Mr. KERRY, Mr. CRANSTON, Mr. JEFFORDS, Mr. DECONCINI, Mr. MATSUNAGA, Mr. ROCKEFELLER, Mr. SPECTER, Mr. BRADLEY, Mr. SIMON, Mr. WIRTH, Mr. PELL, Mr. KERREY, Mr. BURDICK, Mr. HARKIN, Mr. GORE, Mr. BINGAMAN, Mr. KOHL, Mr. MOYNIHAN, Mr. BIDEN, Mr. PRESSLER, and Mr. CHAFEE):

S. 1153. A bill to amend title 38, United States Code, to provide for the establishment of presumptions of service-connection between certain diseases experienced by veterans who served in Vietnam during the Vietnam era and exposure to certain toxic herbicide agents used in Vietnam; to provide for interim benefits for veterans of such service who have certain diseases; to improve the reporting requirements relating to the "Ranch Hand Study"; and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' AGENT ORANGE EXPOSURE AND VIETNAM SERVICE BENEFITS ACT OF 1989

Mr. DASCHLE. Mr. President, today Senator KERRY, Senator CRANSTON, Senator JEFFORDS, Senator DECONCINI, Senator MATSUNAGA, Senator ROCKEFELLER, Senator SPECTER, Senator BRADLEY, Senator SIMON, Senator WIRTH, Senator PELL, Senator KERREY, Senator BURDICK, Senator HARKIN, Senator GORE, Senator BINGAMAN, Senator KOHL, Senator MOYNIHAN, Senator BIDEN, Senator PRESSLER and I are introducing the Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989, which is the result of long negotiations and years of unsuccessful attempts to bring justice to Vietnam veterans disabled as a result of their exposure to agent orange. I ask that both a short summary and the full text of the bill be printed in the RECORD at the conclusion of my remarks.

I want to commend my colleagues, Senator KERRY and Senator CRANSTON, for their efforts to bring us to this point. Senator KERRY has worked tirelessly with me for 2 years to bring our dream of a meaningful agent orange bill to fruition. Senator CRANSTON, the distinguished chairman of the Senate Veterans' Affairs Committee, has joined with us and worked diligently to ensure that responsible agent orange legislation is passed this year.

This bill is not the final word on agent orange. It does not go as far as I and many others would like, and there is much work still to be done. Nevertheless, it is an honest attempt to attack the agent orange problem with a comprehensive approach that covers disability compensation, research, outreach, and treatment. It addresses some of the longstanding concerns veterans have had with the way the Federal Government has approached this problem in the past by bringing impartial experts into the decisionmaking process and asking Congress to accept its share of the responsibility for our Government's treatment toward those who fought our wars.

But the responsibility does not end with Congress or with this bill. The Department of Veterans' Affairs has the primary responsibility for ensuring American veterans are compensated and treated fairly, and our bill reflects that fact by requiring that scientific information be presented to the Secretary of Veterans' Affairs so that he may make informed policy decisions.

It is no secret that I have been deeply concerned about VA policy in the past. I am happy to say, however,

that the appointment of the first Secretary of Veterans' Affairs, Ed Derwinski, has proven to be a very positive step toward just treatment of victims of agent orange as well as all American veterans. I have talked to Secretary Derwinski at length about the agent orange issue, and I am confident of his dedication to an honest, fair resolution. His decision not to appeal the recent Federal court ruling striking down the VA's past agent orange regulations and to issue new regulations by October of this year serves as proof of that dedication. I have nothing but praise for the way the Secretary has handled this issue in an atmosphere that has not always been conducive to evenhanded discourse.

I want to make it clear that I see our bill as a complement to the efforts Secretary Derwinski will be making through the new agent orange regulations. Our bill will offer Vietnam veterans suffering from non-Hodgkin's lymphoma [NHL] and soft-tissue sarcoma [STS]—two diseases linked most often to agent orange—interim benefits. This process will allow the VA's regulatory procedure to go forward and give NHL and STS victims the benefit of the doubt in the meantime. If the Secretary finds that these disabilities are service connected before the interim period expires, they will become permanent, and if he makes no such determination, both he and Congress will have an opportunity to revisit the issue after the bill's first independent scientific review is completed. The other provisions of our bill are independent of the regulatory process, and they are intended to address veterans' long-term needs in the areas of research, health care, and outreach.

Also, I want to applaud the efforts of several other people who have played an instrumental role in advancing the agent orange issue, including Senator JEFFORDS, who has been an important ally of agent orange victims during his tenure in both the House and the Senate, and Representative LANE EVANS, who will be spearheading the House effort to address this issue. Also, I want to thank our other cosponsors, many of whom have been fighting with us for several years.

Finally, I want to thank the many individual veterans and scientists who have worked with us to develop this legislation over the last 2 years. We have also worked with several veterans organizations, including Vietnam Veterans of America, the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, the National Vietnam Veterans Coalition, the Military Order of the Purple Heart, Jewish War Veterans, Vietnam Veterans Agent Orange Victims, and the National Association of Agent Orange Survivors. I am hopeful that the veterans of America will find this bill worthy of their support, and I invite my colleagues to join in this effort.

Mr. President, I ask unanimous consent that all Senators be allowed to join as original cosponsors until the Senate recesses today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1153

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989".

SEC. 2. INTERIM PERIOD FOR AWARD OF BENEFITS FOR VIETNAM VETERANS WITH NON-HODGKIN'S LYMPHOMA AND CERTAIN SARCOMAS.

(a) PRESUMPTIVE DISABILITY AND DEATH BENEFITS.—(1) In the case of a veteran—

(A) who served in the active military, naval, or air service in Vietnam during the Vietnam era, and

(B) who has—

(i) non-Hodgkin's lymphoma, or

(ii) a soft-tissue sarcoma,

the Secretary of Veterans Affairs shall, except as provided in subsection (b), pay a monthly disability benefit to the veteran in accordance with this section for any disability resulting from that disease.

(2) If a veteran referred to in paragraph (1) dies from a disease referred to in clause (B) of such paragraph, the Secretary shall pay a monthly death benefit to the survivors of the veteran in accordance with this section.

(b) EXCEPTIONS.—Benefits may not be paid in the case of a veteran under this section with respect to a disease referred to in subsection (a)(1)(B) if—

(1) there is affirmative evidence that such disease was not incurred by that veteran during active military, naval, or air service in Vietnam during the Vietnam era; or

(2) there is affirmative evidence to establish that, between the date of that veteran's most recent departure from Vietnam during such service and the onset of such disease, the veteran suffered an intercurrent injury or disease recognized as a cause of such disease referred to in subsection (a)(1)(B).

(c) DISABILITY BENEFIT.—A disability benefit payable to a veteran under this section for a disability resulting from a disease referred to in subsection (a)(1)(B) shall be paid at the rate at which compensation would be payable under chapter 11 of title 38, United States Code, to that veteran for such disability if the disability were determined to be service-connected.

(d) DEATH BENEFIT.—(1) A death benefit is payable under this section to the survivors of a deceased veteran who, if the cause of the veteran's death had been a service-connected or compensable disability, would be entitled to dependency and indemnity compensation under chapter 13 of that title.

(2) The amount of the death benefit payable to a survivor of a deceased veteran under this section shall be the rate that would be applicable to such survivor under such chapter 13 if the veteran's death had been the result of a service-connected or compensable disability.

(e) NONDUPLICATION OF BENEFITS.—A benefit may not be paid under this section with respect to a disability or death of a veteran resulting from a disease referred to in subsection (a)(1)(B) for any month for which compensation is payable to that veteran for that disability under chapter 11 of title 38, United States Code, or for which dependency and indemnity compensation is payable for that death under chapter 13 of such title.

(f) TREATMENT OF DISABILITY OR DEATH AS SERVICE-CONNECTED EXCEPT FOR COMPENSATION PURPOSES.—A disability or death from a disease referred to in subsection (a)(1)(B) not otherwise considered service-connected for purposes of laws administered by the Department of Veterans Affairs shall be treated for purposes of all laws of the United States (other than the provisions of chapter 11 (other than sections 357, 358, and 361) of title 38, United States Code, and chapter 13 of such title) as if such disability or death were service-connected. The receipt of a disability benefit under this section shall be treated for purposes of all laws of the United States as, if such benefit were disability compensation under chapter 11 of such title. The receipt of a death benefit under this section shall be treated for purposes of all laws of the United States as if such benefit were dependency and indemnity compensation under chapter 13 of such title.

(g) AWARD OF BENEFITS.—Section 3010(g) of title 38, United States Code, shall apply to the award of benefits under this section.

(h) EXPIRATION OF INTERIM BENEFITS.—(1) No benefit may be paid or service provided by virtue of this section for any period beginning after April 15, 1992.

(2) If a joint resolution described in paragraph (3) (relating to the extension of authority to pay benefits under this section or the making of such authority permanent) is introduced in either House of Congress after January 1, 1992, Congressional action on such joint resolution shall, subject to paragraph (8), be subject to the rules set out in this subsection.

(3) For purposes of paragraph (2), the term "joint resolution" means only a joint resolution—

(A) which does not have a preamble;

(B) the matter after the resolving clause of which is—

(i) as follows: "That section 2(h)(1) of the Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989 is amended by striking out 'April 15, 1992' and inserting in lieu thereof '_____'.", the blank space being filled with a date; or

(ii) as follows: "That paragraph (1) of section 2(h) of the Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989 is repealed"; and

(C) the title of which is—

(i) as follows: "A joint resolution extending the authority to pay certain benefits relating to military service in Vietnam"; or

(ii) as follows: "A joint resolution making permanent the authority to pay certain benefits relating to military service in Vietnam".

(4) A resolution described in paragraph (3) introduced in the House of Representatives shall be referred to the Committee on Veterans' Affairs of the House of Representatives. A resolution described in paragraph (3) introduced in the Senate shall be referred to the Committee on Veterans' Affairs of the Senate.

(5) If the committee to which a resolution described in paragraph (3) is referred has not reported such resolution (or an identical resolution) within the 60-day period beginning on the date on which such resolution is

introduced, such committee shall be discharged from further consideration of such resolution as of the day after the last day of such period, and such resolution shall be placed on the appropriate calendar of the House involved.

(6)(A) On or after the third day after the date on which the committee to which such a resolution is referred has reported, or has been discharged (under paragraph (5)) from further consideration of, such a resolution, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House to move to proceed to the consideration of the resolution (but only on the day after the calendar day on which Member announces to the House concerned the Member's intention to do so). All points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the respective House shall immediately proceed to consideration of the joint resolution without intervening motion, order, or other business, and the resolution shall remain the unfinished business of the respective House until disposed of.

(B) Debate on the resolution and on all debatable motions and appeals in connection therewith shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(C) Immediately following the conclusion of the debate on a resolution described in paragraph (3) and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(D) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (3) shall be decided without debate.

(7)(A) If, before the passage by one House of a resolution of that House described in paragraph (3), that House receives from the other House a resolution described in paragraph (3), then the procedures specified in this paragraph shall apply.

(B) The resolution of the other House shall not be referred to a committee and may not be considered in the House receiving it except in the case of final passage as provided in subparagraph (C)(ii).

(C) With respect to a resolution described in paragraph (3) of the House receiving the resolution—

(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(ii) the vote on final passage shall be on the resolution of the other House.

(D) Upon disposition of the resolution received from the other House, it shall no longer be in order to consider the resolution that originated in the receiving House.

(8) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (3), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(i) NOTIFICATION OF THE PROVISIONS OF THIS SECTION.—(1) The Secretary of Veterans Affairs shall take all reasonable actions—

(A) to publicize the provisions of this section not later 30 days after the date of the enactment of this Act; and

(B) to provide actual notice of the provisions of this section, not later than 30 days after the date of the enactment of this Act—

(i) to each person described in subsection (a) who, before the date specified in subsection (k), has filed any claim for benefits under programs administered by the Department of Veterans Affairs on the basis of a disease referred to in subsection (a)(1)(B); and

(ii) in the case of a veteran who dies after filing such a claim but before the provisions of this section are publicized, to the surviving spouse, children, and parents of such veteran, if any.

(2) The Secretary shall enclose with at least three distributions of benefits payment checks to each veteran or other person receiving benefits under this section a notice that the authority to pay benefits under this section is temporary. Each notice shall contain the date of the expiration of such authority. The first notice shall be enclosed with the first payment of such benefits to a veteran. The last notice shall be enclosed with the last payment of such benefits. At least one notice shall be enclosed with a payment distributed in approximately the middle of the estimated period during which the authority is to be in effect.

(j) DEFINITIONS.—For the purposes of this section—

(1) the term "veteran" has the meaning given such term in sections 101(2) and 401 of title 38, United States Code; and

(2) the terms "child" and "parents" have the meanings given such terms in paragraphs (4) and (5), respectively, of section 101 of such title.

(k) EFFECTIVE DATE.—This section, other than subsection (i), shall take effect on October 1, 1989. Benefits shall be paid in accordance with this section for periods beginning on or after such date, but no benefit may be paid for any period before such date by reason of the enactment of this section.

SEC. 3. PRESUMPTION OF SERVICE CONNECTION FOR CHLORACNE.

Section 312 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(d) For the purposes of section 310 of this title, and subject to the provisions of section 313 of this title, in the case of a veteran who, during active military, naval, or air service, served in Vietnam during the Vietnam era, the disease of chloracne shall be considered to have been incurred in or aggravated by such service in Vietnam, notwithstanding there is no record of evidence of such disease during the period of such service in Vietnam, if such disease or another acneform disease consistent with chloracne became manifest to a 10 percent degree of disability or more within one year after the last date on which that veteran performed such service in Vietnam.".

SEC. 4. PRESUMPTION OF SERVICE CONNECTION FOR DISEASES ASSOCIATED WITH EFFECTS OF EXPOSURE TO CERTAIN HERBICIDE AGENTS.

(a) FINDINGS.—Congress makes the following findings:

(1) It is in the public interest to provide for an independent nonprofit scientific organization which has appropriate expertise and is not connected to the Department of Veterans Affairs to review and evaluate the available scientific evidence regarding associations between diseases and exposure to dioxin and other chemical compounds in herbicides and to make judgments on the degree and probability of such associations, because there is no uniform body of scientific literature on such issues.

(2) The standard of proof required for a scientific conclusion of causation is higher than the standard of proof required for justification of a presumption, for purposes of veterans disability compensation laws, that an adverse health effect is connected, based on sound medical and scientific evidence, to active service in the Armed Forces of the United States.

(b) IN GENERAL.—(1) Subchapter II of chapter 11 of title 38, United States Code, is amended by inserting after section 312 the following new section:

"§ 312A. Presumption of service connection for diseases associated with effects of exposure to certain herbicide agents

"(a) IN GENERAL.—(1) For the purposes of section 310 of this title, and subject to section 313 of this title, in the case of a Vietnam veteran who, during Vietnam service, was exposed to a herbicide agent containing dioxin or 2,4-dichlorophenoxyacetic acid or to any other herbicide agent, each disease (if any) listed in regulations prescribed by the Secretary in accordance with this section and identified in such regulations as having positive association with the biological effects of exposure to such herbicide agent shall be considered to have been incurred in or aggravated by such service, notwithstanding that there is no record of evidence of such disease during the period of such service.

"(2) For the purposes of this subsection, a veteran who performed Vietnam service and has a disease referred to in paragraph (1) of this subsection shall be presumed to have been exposed during such service to an herbicide agent containing dioxin or 2,4-dichlorophenoxyacetic acid, and may be presumed to have been exposed during such service to any other chemical compound in an herbicide agent, unless there is affirmative evidence to establish conclusively that the veteran was not exposed to any such agent during such service.

"(3) The Secretary may extend the applicability of paragraph (1) of this subsection to the case of any veteran who, during the performance of active military, naval, or air service outside Vietnam, was exposed to an agent of the same type as the herbicide

agent referred to in paragraph (1) of this subsection.

"(b) DISEASES TO BE PRESCRIBED IN REGULATIONS.—(1) Whenever the Secretary determines pursuant to this section that there is positive association between any disease and the biological effects of exposure to an herbicide agent in Vietnam, the Secretary shall prescribe regulations listing each disease having such positive association. In the case of each disease listed in the regulations, the Secretary shall identify the herbicide agent that causes the biological effects with which the disease has positive association. After the Secretary prescribes regulations pursuant to this paragraph, the Secretary shall periodically revise such regulations, as appropriate, to reflect determinations periodically made pursuant to paragraph (2) of this subsection.

"(2) The Secretary shall periodically (not less often than biennially)—

"(A) determine whether any disease not listed in regulations under this section has positive association with such effects; and

"(B) determine whether any disease listed in such regulations does not have positive association with such effects.

"(3) The Secretary shall make determinations for the purpose of this subsection on the basis of reports received by the Secretary from a contract scientific organization pursuant to this section and all other relevant scientific evidence, information, or analyses available to the Secretary at the time of the determinations.

"(c) UTILIZATION OF CONTRACT SCIENTIFIC ORGANIZATION.—In prescribing and revising regulations for the purposes of subsection (b), the Secretary shall obtain, by contract, the determinations and estimates of a contract scientific organization as provided in this section.

"(d) REQUIRED ACTIVITIES OF CONTRACT SCIENTIFIC ORGANIZATIONS.—(1) Each contract entered into under subsection (c) of this section shall provide for a contract scientific organization—

"(A) to determine, in the case of each herbicide agent—

"(i) which diseases (if any) have positive association with the biological effects of exposure to such agent, including specifically effects involving porphyrin synthesis, nervous system function, immune function, reproduction, and birth defects, and psychological and psychiatric effects;

"(ii) which diseases (if any) have limited positive association with such biological effects;

"(iii) which diseases (if any) have insubstantial association with such biological effects; and

"(iv) to the extent practicable, the biological basis for the positive, limited positive, and insubstantial associations of diseases referred to in subclauses (i), (ii), and (iii) of this clause with such biological effects; and

"(B) to estimate the extent of the association between each such disease and such biological effects using methods as quantitative and as objective as the relevant available data permit.

"(2) The contract scientific organization shall specifically determine whether there is positive, limited positive, or insubstantial association between the biological effects referred to in paragraph (1) of this subsection and the following diseases:

"(A) Non-Hodgkin's lymphoma.

"(B) Each soft-tissue sarcoma.

"(C) Lung cancer.

"(D) Each other cancer.

"(e) REQUIRED PROVISIONS FOR FIRST CONTRACT.—(1) The first contract entered into under subsection (c) of this section shall provide for the contract scientific organization—

"(A) to conduct as comprehensive a survey and evaluation as is practicable of the completed and ongoing scientific studies of, and other scientific evidence or information regarding, the effects that herbicide agents have on humans or other animals that have been exposed to such agents, including an evaluation of the CDC Selected Cancers Study report; and

"(B) make its determinations and estimates on the basis of the results of such survey and evaluation.

"(2) The contract scientific organization shall conduct the survey and evaluation referred to in paragraph (1)(A) of this subsection through a panel composed of recognized experts in toxicology, medicine, epidemiology, statistics, biochemistry, and related fields. The conduct of such survey shall be subject to appropriate peer review.

"(f) REQUIRED CONTRACT PROVISIONS RELATING TO PERIODIC DETERMINATIONS OF THE SECRETARY.—A contract entered into under subsection (c) of this section in connection with the Secretary's periodic determinations under subsection (b)(2) of this section shall require a contract scientific organization—

"(1) to conduct as comprehensive a survey and evaluation as is practicable of the scientific studies, evidence, and information referred to in subsection (e)(1)(A) of this section that have become available since the last such survey and evaluation under this section; and

"(2) make its determinations and estimates on the basis of the results of such survey and evaluation and all other surveys and evaluations conducted for the purposes of this section.

"(g) REPORTS OF CONTRACT SCIENTIFIC ORGANIZATIONS.—(1) Each contract scientific organization making determinations and estimates under this section shall transmit to the Secretary and the Committees on Veterans' Affairs of the Senate and the House of Representatives a written report regarding its determinations and estimates.

"(2) Each report shall contain—

"(A) the name of each disease (if any) determined to have positive association with the biological effects of exposure to an herbicide agent in Vietnam and the identity of such agent;

"(B) the name of each disease (if any) determined to have limited positive association with the biological effects of exposure to an herbicide agent in Vietnam and the identity of such agent;

"(C) the name of each disease (if any) determined to have insubstantial association with the biological effects of exposure to an herbicide agent in Vietnam and the identity of such agent; and

"(D) with respect to each disease named pursuant to clauses (A), (B), and (C) of this paragraph—

"(i) a discussion of the biological basis for the association;

"(ii) the contract scientific organization's estimate of the statistical significance of the association;

"(iii) the contract scientific organization's estimate of the relative risk for such disease in veterans who, during Vietnam service, were exposed to an herbicide agent; and

"(iv) the probability that the estimates referred to in subclauses (ii) and (iii) are correct.

"(3) Estimates and probabilities are not required under clauses (ii), (iii), and (iv) of paragraph (2)(D) of this subsection when the available data do not permit meaningful estimates and probabilities.

"(4)(A) If a contract scientific organization determines that a disease has positive association with the biological effects of exposure to an herbicide agent used in Vietnam, such organization shall determine whether there is a reasonable basis for concluding that a Vietnam veteran with the highest level of exposure to that herbicide agent in Vietnam was exposed to such agent under the circumstances necessary for such biological effects.

"(B) If a contract scientific organization determines that there is no such reasonable basis, the organization shall state that determination in a report under this subsection and include in such report—

"(i) a description of the evidence that supports such determination;

"(ii) a description of the evidence (if any) that supports alternative conclusions; and

"(iii) a full discussion of the organization's reasons for such determination, including a discussion of the reasons for the organization's determination that the evidence referred to in clause (i) of this subparagraph outweighs the evidence (if any) referred to in clause (ii) of this subparagraph.

"(C) A determination with respect to reasonable basis is not required under subparagraph (A) of this paragraph when the available data do not permit a meaningful determination.

"(5) The first report under this subsection shall be transmitted to the Secretary and the Committees on Veterans' Affairs of the Senate and the House of Representatives on or before the later of (A) the date 60 days after the date on which the contract scientific organization obtains a copy of the CDC Selected Cancers Study report, or (B) the date one year after the date of the enactment of the Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989.

"(h) ACTIONS OF THE SECRETARY AFTER RECEIVING THE FIRST REPORT.—(1) Not later than 60 days after the date on which the Secretary receives the first report under subsection (g) of this section, the Secretary shall—

"(A) for the purpose of subsection (b)(1) of this section—

"(i) determine in accordance with subsection (b)(3) of this section whether there is positive association between any disease and the biological effects of exposure to an herbicide agent in Vietnam; and

"(ii) if so, issue proposed regulations listing each such disease and specifying such agent;

"(B) transmit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report containing the scientific basis for including each disease listed in such proposed regulations, and

"(C) if any disease listed in the first report under subsection (g) of this subsection as having positive association is not listed in such proposed regulations—

"(i) include in the report to the Committees on Veterans' Affairs the scientific basis for not including that disease in the proposed regulations; and

"(ii) publish in the Federal Register a notice that such disease is not listed in the proposed regulations despite the report under subsection (g) and include in such notice a discussion of such scientific basis.

"(2) Not later than 60 days after the date on which the Secretary issues any proposed regulations pursuant to paragraph (1) of this subsection, the Secretary shall issue

final regulations under subsection (b). Such regulations shall be effective on the date of issuance.

"(i) ACTIONS OF THE SECRETARY AFTER RECEIVING A PERIODIC REPORT.—(1) Upon receiving a contract scientific organization's report after a periodic survey and evaluation conducted for the purpose of subsection (b)(2) of this section, the Secretary shall—

"(A) determine in accordance with subsection (b)(3) of this section whether—

"(i) any disease named in such report not listed in regulations under subsection (b) of this section has positive association with the biological effects of exposure to an herbicide agent in Vietnam; and

"(ii) any disease listed in such regulations does not have positive association with such effects; and

"(B) promptly transmit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report containing the Secretary's determinations under clause (A) of this paragraph and the scientific bases for such determinations.

"(2)(A) Not later than 60 days after transmitting a report to the Committees on Veterans' Affairs under paragraph (1)(B) of this subsection, the Secretary shall prescribe or revise regulations, as the case may be, pursuant to subsection (b) of this section as may be necessary to reflect the Secretary's determinations included in that report. The regulations or revisions of regulations, as the case may be, shall take effect 30 days after the date on which the Secretary issues the proposed regulations or revisions, as the case may be.

"(B) If any disease listed in a periodic report under subsection (g) of this section as having positive association is not listed in such regulations or revisions of regulations, as the case may be, the Secretary shall, not later than 60 days after transmitting a report under subparagraph (A) of this paragraph, publish in the Federal Register a notice that such disease is not listed in the proposed regulations despite such report and include in such notice a discussion of the scientific basis for not including that disease in such regulations or revisions.

"(j) EFFECT OF REMOVAL OF DISEASE FROM REGULATIONS.—Whenever a disease is removed from regulations pursuant to paragraph (2) of subsection (i) of this section as a result of a determination under paragraph (1)(A)(ii) of such subsection—

"(1) any veteran who was awarded compensation for such disease on the basis of the presumption provided in subsection (a) of this section before the effective date of the removal shall continue to be entitled to receive compensation on such basis; and

"(2) any survivor of a veteran who was awarded dependency and indemnity compensation for the death of a veteran resulting from such disease on the basis of such presumption shall continue to be entitled to receive dependency and indemnity compensation on such basis.

"(k) LIMITATION ON CONTRACT AUTHORITY.—The contract authority provided in this section shall be effective for a fiscal year to such extent or in such amount as is provided for in an appropriation Act.

"(l) TERMINATION OF EFFECTIVENESS OF THIS SECTION.—(1) Subsections (b) through (i) and (k) of this section shall cease to be effective 10 years after the first day of the fiscal year in which a contract scientific organization transmits to the Secretary the first report under subsection (g) of this section.

"(2) Paragraph (1) shall not affect the continued effectiveness of—

"(A) subsection (a) of this section and the regulations referred to in such subsection; and

"(B) subsection (j) of this section.

"(m) DEFINITIONS.—For the purposes of this section—

"(1) the term 'Vietnam veteran' means a veteran who performed Vietnam service;

"(2) the term 'Vietnam service' means active military, naval, or air service in Vietnam during the Vietnam era;

"(3) the term 'herbicide agent' means an agent in an herbicide used in support of United States and allied military operations in Vietnam during the Vietnam era;

"(4) the term 'biological effect', with respect to exposure to an herbicide agent, means—

"(A) each known biological effect of such exposure on humans, including those biological effects resulting from relevant host and environmental factors; and

"(B) each biological effect of such exposure on humans that it is reasonable to infer on the basis of the known biological effects of such exposure on appropriate animal models;

"(5) the term 'positive', with respect to association between a disease and the biological effects of exposure to an herbicide agent in Vietnam, means that the credible evidence for the association is equal to or outweighs the credible evidence against the association;

"(6) the term 'limited positive', with respect to association between a disease and the biological effects of exposure to an herbicide agent in Vietnam, means that the credible evidence against the association outweighs the credible evidence for the association but that there is substantial credible evidence for the association;

"(7) the term 'insubstantial', with respect to association between a disease and the biological effects of exposure to a herbicide agent in Vietnam, means that there is some credible evidence for the association but the evidence is not substantial;

"(8) the term 'relative risk', with respect to a report of a contract scientific organization for the purposes of subsection (g) of this section, shall have the meaning determined by such organization and specified in such report;

"(9) the term 'contract scientific organization', with respect to a contract under this section, means—

"(A) the National Academy of Sciences; or

"(B) in the event that the Secretary determines that the National Academy of Sciences is unwilling to enter into such contract, any other appropriate private nonprofit scientific organization which has appropriate expertise and has no connection with the Department of Veterans Affairs and which the Secretary identifies to the Committees on Veterans' Affairs of the Senate and the House of Representatives in a written notification received by such committees at least 90 days before the date on which such contract is entered into;

"(10) the term 'soft-tissue sarcoma' means any sarcoma other than osteosarcoma, condrosarcoma, Kaposi's sarcoma, and mesothelioma; and

"(11) the term 'CDC Selected Cancers Study report' means the report submitted to Congress by the Secretary of Veterans Affairs that contains the final results of the Selected Cancers Study conducted by the Centers for Disease Control pursuant to section 307 of the Veterans Health Programs Extension and Improvement Act of 1979 (Public Law 96-151; 38 U.S.C. 219 note).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 312 the following new item:

"312A. Presumption of service connection for diseases associated with effects of exposure to certain herbicide agents.".

(c) CONFORMING AMENDMENT.—Section 313 of title 38, United States Code, is amended by inserting "or 312A" after "section 312" each place it appears.

(d) INTERIM REGULATIONS.—If the authority to pay benefits under section 2 of this Act expires before the Secretary of Veterans Affairs issues final regulations under of section 312A(h) of title 38, United States Code (as added by subsection (b)), the Secretary shall issue emergency regulations, effective upon issuance, providing for the payment of disability compensation under chapter 11 of such title to each veteran or survivor who receives benefits under section 2 of this Act for a disease listed in regulations (if any) proposed by the Secretary under section 312A(h)(1)(A) of such title (as added by subsection (b)). Payment of such disability compensation shall be effective on the date of the expiration of the authority under section 2 of this Act. The Secretary shall pay disability compensation to such a veteran pursuant to this paragraph without requiring such veteran to submit an application in addition to the application submitted for benefits under section 2 of this Act.

(e) SPECIAL EFFECTIVE DATE FOR AWARDS OF DISABILITY COMPENSATION.—If the Secretary of Veterans Affairs issues final regulations under subsection (h)(2) of section 312A of title 38, United States Code (as added by subsection (b)), after April 15, 1993, any award of disability compensation under chapter 11 of such title (in the case of a claim received by the Secretary before the effective date of such final regulations) on the basis of a presumption provided in subsection (a) of such section 312A shall be effective on the later of April 16, 1993, or the date determined under section 3010 of such title. However, benefits may not be paid to any person under chapter 11 of such title pursuant to this subsection for any period for which benefits are paid to such person under such chapter pursuant to subsection (d).

SEC. 5. RESULTS OF EXAMINATIONS AND TREATMENT OF VETERANS FOR DISABILITIES RELATED TO EXPOSURE TO CERTAIN HERBICIDES OR TO SERVICE IN VIETNAM.

(a) IN GENERAL.—The Secretary of Veterans Affairs shall compile and analyze, on a continuing basis, all clinical data that (1) is obtained by the Department of Veterans Affairs in connection with examinations and treatment furnished to veterans by the Department after November 3, 1981, by reason of eligibility provided in section 610(e)(1)(A) of title 38, United States Code, and (2) is likely to be scientifically useful in determining the association, if any, between the disabilities of veterans referred to in such section and exposure to dioxin or any other toxic substance referred to in such section or between such disabilities and active military, naval, or air service in Vietnam during the Vietnam era.

(b) ANNUAL REPORT.—The Secretary shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives an annual report containing—

(1) the information compiled in accordance with subsection (a);

(2) the Secretary's analysis of such information;

(3) a discussion of the types and incidences of disabilities identified by the Department of Veterans Affairs in the case of veterans referred to in subsection (a);

(4) the Secretary's explanation for the incidence of such disabilities;

(5) other explanations for the incidence of such disabilities considered reasonable by the Secretary;

(6) the Secretary's views on the scientific validity of drawing conclusions from the incidence of such disabilities, as evidenced by the data compiled under subsection (a), about any association between such disabilities and exposure to dioxin or any other toxic substance referred to in section 610(e)(1)(A) of title 38, United States Code, or between such disabilities and active military, naval, or air service, in Vietnam during the Vietnam era; and

(7) the evaluation of such report submitted by the Director of the Office of Technology Assessment pursuant to subsection (c)(2).

(c) CONSULTATION WITH OTA.—(1) The Secretary of Veterans Affairs shall consult with the Director of the Office of Technology Assessment before compiling and analyzing any information under this section and shall submit each annual report required by subsection (b) to the Director before submitting such report to the committees referred to in such subsection.

(2) The Director of the Office of Technology Assessment shall review each annual report submitted under paragraph (1) and transmit to the Secretary of Veterans Affairs the Director's evaluation of the content of the report.

(d) FIRST REPORT.—The first report under subsection (b) shall be submitted one year after the date of the enactment of this Act.

SEC. 6. TISSUE ARCHIVING SYSTEM.

(a) ESTABLISHMENT OF SYSTEM.—For the purpose of facilitating future scientific research on the effects of exposure of veterans to dioxin and other toxic agents in herbicides used in support of United States and allied military operations in Vietnam during the Vietnam era, the Secretary of Veterans Affairs shall establish and maintain a system for the collection and storage of voluntarily contributed samples of blood and tissue of veterans who performed active military, naval, or air service in Vietnam during the Vietnam era. The system may be administered by the Department of Veterans Affairs or under a contract awarded by the Secretary, whichever is more cost-effective.

(b) SECURITY OF SPECIMENS.—The Secretary shall ensure that the tissue is collected and stored under physically secure conditions and that the tissue is maintained in a condition that is useful for research referred to in subsection (a).

(c) AUTHORIZED USE OF SPECIMENS.—The Secretary may make blood and tissue available from the system for research referred to in subsection (a) in a manner consistent with the privacy rights and interests of the blood and tissue donors.

(d) LIMITATIONS ON ACCEPTANCE OF SAMPLES.—The Secretary may prescribe such limitations on the acceptance and storage of blood and tissue samples as the Secretary considers appropriate consistent with the purpose specified in the first sentence of subsection (a).

(e) CONSULTATION REQUIREMENTS.—(1) To the extent provided under any agreement entered into by the Secretary and the National Academy of Sciences, the Secretary shall consult with the National Academy of Sciences regarding the establishment and maintenance of the tissue archiving system under this section, including any limitation to be prescribed under subsection (d).

(2) In the event that the National Academy of Sciences does not enter into an agreement for consultation under paragraph (1), the Secretary shall consult with the Director of the Office of Technology Assessment on the establishment and maintenance of the tissue archiving system under this section, including any limitation to be prescribed under subsection (d).

(f) CONTRACT AUTHORITY SUBJECT TO APPROPRIATION.—The contract authority provided in this section shall be effective for a fiscal year to such extent or in such amount as is provided for in an appropriation Act.

SEC. 7. SCIENTIFIC RESEARCH FEASIBILITY STUDIES PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Veterans' Affairs shall establish a program to provide for the conduct of studies of the feasibility of conducting additional scientific research on—

(1) health hazards resulting from exposure to dioxin;

(2) health hazards resulting from exposure to other toxic agents in herbicides used in support of United States and allied military operations in Vietnam during the Vietnam era; and

(3) health hazards resulting from active military, naval, or air service in Vietnam during the Vietnam era.

(b) PROGRAM REQUIREMENTS.—(1) Under the program established pursuant to subsection (a), the Secretary shall, pursuant to criteria prescribed pursuant to paragraph (2), award contracts or furnish financial assistance to non-Government entities for the conduct of studies referred to in subsection (a).

(2) The Secretary shall prescribe criteria for (A) the selection of entities to be awarded contracts or to receive financial assistance under the program, and (B) the approval of studies to be conducted under such contracts or with such financial assistance.

(c) REPORT.—The Secretary shall promptly report the results of studies conducted under the program to the Committees on Veterans' Affairs of the Senate and the House of Representatives.

(d) CONSULTATION WITH THE NATIONAL ACADEMY OF SCIENCES.—To the extent provided under any agreement entered into by the Secretary and the National Academy of Sciences (1) the Secretary shall consult with the National Academy of Sciences regarding the establishment and administration of the program under subsection (a), and (2) the National Academy of Sciences shall review the studies conducted under contracts awarded pursuant to the program and the studies conducted with financial assistance furnished pursuant to the program. The agreement shall require the National Academy of Sciences to submit to the Secretary and the Committees on Veterans' Affairs of the Senate and the House of Representatives any recommendations that the National Academy of Sciences considers appropriate regarding any studies reviewed under the agreement.

(e) AUTHORITY SUBJECT TO APPROPRIATION.—The authorities to enter into contracts and to furnish financial assistance provided in this section shall be effective for a fiscal year to such extent or in such amount as is provided for in an appropriation Act.

SEC. 8. OUTREACH SERVICES.

Section 1204(a) of the Veterans' Benefits Improvement Act of 1988 (division B of Public Law 100-687; 102 Stat. 4125) is amended—

(1) in clause (1), by striking out ", as such information on health risks becomes known";

(2) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively;

(3) by inserting "(1)" after "PROGRAM.—"; and

(4) by adding at the end the following new paragraph:

"(2) The Secretary of Veterans' Affairs shall annually furnish updated information on health risks described in paragraph (1)(A) to veterans referred to in paragraph (1).".

SEC. 9. REPORT RELATING TO RESEARCH ON TREATMENTS FOR EXPOSURE TO DIOXIN AND OTHER TOXIC AGENTS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report containing a discussion of the research being conducted to identify and develop treatments for physiological absorption of dioxin and other toxic agents similar to the toxic agents in herbicides used in support of United States and allied operations in Vietnam during the Vietnam era, including research relating to exposure to dioxin and other toxic agents outside Vietnam.

SEC. 10. EXTENSION OF HEALTH-CARE ELIGIBILITY BASED ON AGENT ORANGE OR IONIZING RADIATION EXPOSURE.

Section 610(e)(3) of title 38, United States Code, is amended by striking out "September 30, 1990" and inserting in lieu thereof "December 31, 1993".

SEC. 11. RANCH HAND STUDY AMENDMENTS.

Section 1205 of the Veterans' Benefits Improvement Act of 1988 (division B of Public Law 100-687; 102 Stat. 4126) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(2) by inserting after subsection (b), the following new subsection (c):

"(c) ADVISORY RELATIONSHIP.—The Advisory Committee may consult directly with and provide information and recommendations directly to the Department of the Air Force scientists conducting the Ranch Hand Study, and such scientists may consult directly with and provide information and recommendations directly to the Advisory Committee. No officer or employee of the Federal Government may intervene in or impair direct communication between the Advisory Committee and such scientists under this section except as may be necessary to prevent an inappropriate disclosure of classified information."; and

(3) in subsection (d), as redesignated by clause (1)—

(A) by adding at the end of paragraph (1) the following: "The schedule shall provide for the preparation and submission of annual reports and a final report."; and

(B) in paragraph (4), by inserting "in" after "report referred to".

SEC. 12. DEFINITIONS.

In this Act—

(1) the terms "veteran", "service-connected", "active military, naval, or air service", and "Vietnam era" shall have the meanings

given those terms in paragraphs (2), (16), (24), and (29), respectively, of section 101 of title 38, United States Code;

(2) the term "disability" refers to a disability within the meaning of chapter 11 of such title; and

(3) the term "soft-tissue sarcoma" means any sarcoma other than osteosarcoma, condrosarcoma, Kaposi's sarcoma, and mesothelioma.

SEC. 13. EFFECTIVE DATE.

Except as provided in section 2(k), this Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.

SUMMARY: VETERANS' AGENT ORANGE EXPOSURE AND VIETNAM, SERVICE BENEFITS ACT OF 1989

The Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989 would provide interim disability benefits for Vietnam veterans suffering from non-Hodgkin's lymphoma and soft-tissue sarcoma, and would provide survivors' benefits for their spouses, through April 15, 1992. The bill would also provide for House and Senate votes after January 1, 1992, under expedited procedures on a resolution to extend or make permanent those benefits.

The bill would establish a permanent presumption of service connection for chloracne in Vietnam veterans whose chloracne became manifest within one year of their service in Vietnam.

The legislation would provide a mechanism under which the VA must determine, based largely on bienniel independent scientific reviews covering all relevant evidence, whether permanent disability benefits should be given to veterans with non-Hodgkin's lymphoma, soft-tissue sarcoma, or any other diseases determined to have a positive association with exposure to agent orange or other toxic chemicals in Vietnam. The organization conducting the reviews would be the National Academy of Sciences [NAS] unless NAS declines the contract.

The VA would also be required to:

Gather, analyze, and report, on a continuing basis, clinical data from the health records of veterans examined or treated for disabilities relatd to, first, dioxin or other toxic agents in herbicides; or, second, Vietnam service;

Establish a tissue archiving system of voluntarily contributed blood and tissue samples to facilitate future research; and

Fund appropriate independent pilot studies to determine whether or not future scientific research on Vietnam service-related disabilities is feasible.

The Secretary of Health and Human Services would be required to submit a report on research being conducted to identify and develop treatments for exposure to dioxin and other toxic agents in herbicides.

The bill would extend veterans' eligibility for free medical care based on agent orange or ionizing radiation exposure through December 31, 1993.

The legislation would make technical changes regarding first, VA outreach services related to agent orange; and second, reporting procedures related to the Air Force's "Ranch Hand Study."

Mr. CRANSTON. Mr. President, I am delighted to join my good friends, Senators DASCHLE and KERRY, my colleagues on the Veterans' Affairs Committee, Senators MATSUNAGA, DECONCINI, ROCKEFELLER, and JEFFORDS, and our other colleagues, Senators BRADLEY, SIMON, WIRTH, PELL, KERREY, BURDICK, HARKIN, GORE, BINGAMAN, KOHL, and MOYNIHAN, in introducing S. 1153, legislation which, if enacted, would provide benefits to veterans who may have been exposed to agent orange during their service in Vietnam. Senators DASCHLE and KERRY and I have worked together very closely and cooperatively since last Congress to reach an agreement on a bill for this Congress on this very complex issue, and I am delighted that we have succeeded in doing so.

Mr. President, Senators DASCHLE and KERRY have provided strong and persistent leadershp in this cause. They are to be congratulated.

On October 18, during Senate consideration of S. 2011, the Senate adopted the Daschle-Kerry-Cranston amendment (No. 3681), which would have provided a comprehensive package of health care, benefit payments, and scientific review provisions to assist Vietnam veterans in ways that were reasonably related to current scientific knowledge in order to addresss the concerns about their exposure to agent orange. Despite the overwhelming Senate support for that agent orange legislation, the House of Representatives refused to accept all but a few provisions. The final version of the bill, which was enacted as Public Law 100-687 on November 18, contained only five, relatively minor agent orange provisions from the Senate-passed bill.

Mr. President, in keeping with our promise made last year to accomplish more this Congress to find acceptable answers to the many remaining questions regarding Vietnam veterans' exposure to agent orange and other herbicides during their service in Vietnam, and working from our amendment from last Congress, I believe that we have now produced an update version of that Senate-passed legislation that will appropriately address the ongoing concerns of Vietnam veterans about agent orange.

Of most importance, this bill would include an interim temporary presumption for the payment of VA benefits for veterans suffering from non-Hodgkins lymphoma [NHL] and soft tissue sarcoma [STS]. These benefits would be paid from October 1, 1989 until April 15, 1992. In addition, the bill provides a mechanism whereby a vote to extend the interim benefits would be ensured in each House if desired by any member prior to the expiration of these benefits.

The decisions to provide interim, temporary benefits will be reevaluated once the results of the Selected Cancers Study—which is being carried out by the Centers for Disease Control—are available and evaluated. At this time, CDC estimates that preliminary results from this study will be available in December of this year with final results due by the end of March next year. Procedures would be established under our bill pursuant to which the National Academy of Sciences—or, if it declines, another appropriate scientific body—would evaluate the results of the selected cancers study and all other appropriate scientific studies and information regarding the health effects of veterans' service and exposure in Vietnam to dioxin or other toxic agents contained in herbicides used there. That evaluation would be submitted to Congress within 1 year of the date of the enactment of this legislation or 60 days after the report on the CDC study is available if that date is later. On the basis of that evaluation and any other appropriate, available scientific evidence, the Secretary would have to determine whether presumptions of service connection should be provided for NHL, STS, or any other disease.

The bill would provide a mandatory timetable for the Secretary's decisions and for publication of final regulations, as appropriate, so that presumptive, permanent benefits would be provided on a prompt and timely basis when there is adequate scientific evidence to support them. In addition, the bill calls for periodic further surveys and evaluations of the scientific literature by NAS with followup reports to the Secretary on the outcome of those surveys and evaluations, and then establishes a timetable for followup actions by the Secretary, including reports to Congress and amendments to the regulations if appropriate.

Mr. President, for over 10 years I have been working to resolve the concerns raised about the possible adverse health effects arising from veterans' exposure to agent orange in Vietnam. As either the chairman or ranking Democratic member of the Veterans' Affairs Committee during this time, I have participated in numerous hearings and discussions on this issue, and I am proud to have authored or co-authored in the Senate various laws designed to provide solutions to the agent orange dilemma in the areas of health-care eligibility, epidemiological studies, and public rulemaking and adjudication standards regarding benefits claims.

Mr. President, the questions raised by the agent orange issue, while emotional and controversial, are scientific questions requiring scientific analysis and answers. I believe that we owe it to our Vietnam veterans to search for meaningful answers—not just for the purposes of providing compensation but so that we can know the full extent of any threat which may exist to their health. Accordingly, a major focus of my efforts and those of the Committees on Veterans' Affairs in both Houses has been on research

which might eventually lead to a greater understanding of the health effects of agent orange exposure.

Unfortunately, we do not yet have a definitive scientific answer as to whether there is an association between NHL and STS—or any disease other than chloracne, for that matter—and service in Vietnam. If we did, things would be a lot easier.

Instead, we face a simple dilemma—do we tell Vietnam veterans that they have to wait until a definitive answer is available, which we hope will be provided in early 1990 by the selected cancers study, or do we believe that there is enough suggestive evidence to justify taking action now?

I do not believe we can ignore the accumulation of suggestive associations found between certain conditions and Vietnam service or certain herbicide exposure. I believe that, taken together, certain findings in various studies, which are discussed in detail in my two floor statements concerning the passage of this legislation last Congress (S16540 in the October 18 RECORD and S16977 in the October 20 RECORD), represent enough reasonable suspicion so that, in fairness to these veterans, we ought to provide benefits now consistent with our historic obligation to give veterans the benefit of reasonable doubt.

Mr. President, for more of the historical background, I would refer my colleagues to our Committee Report on S. 2011 (S. Rept. No. 100-439) and the two floor statements I just mentioned.

Mr. President, I want to highlight the vital, very important role that VA Secretary Ed Derwinski has played in our efforts to address this matter. His decision, which I described in detail in a statement I made to the Senate last week (S5987 in the June 1 RECORD), not to appeal a district court decision invalidating certain restrictive aspects of VA regulations dealing with agent orange was a most refreshing change from prior VA responses to agent orange matters. I am confident that his efforts will be most helpful and constructive as we move forward in the legislative process with this bill.

Mr. President, it has been a long, hard struggle to help ensure that serving our Nation in an unpopular war did not unfairly prevent Vietnam veterans from receiving all of the help they deserve. Too many Vietnam veterans and their families have suffered anguish for far too long because of concern over the effects of exposure to agent orange and other herbicides. I recognize the frustrations that many individuals have experienced in working to resolve this difficult, intensely felt, vitally important issue. I am proud to have worked with so many of my colleagues in this fight over so many years and look forward to bringing this legislation before the committee and the Senate in the near future. This bill is a good, solid measure that, if enacted, will be of great assistance to many Vietnam veterans and their families.

Mr. President, for the information of my colleagues and others with an interest in this legislation, the committee will hear testimony on this legislation on June 22, and it will be marked up at a committee meeting on July 13. It is then my plan to bring it before the full Senate for consideration before the August recess.

Mr. KERRY. Mr. President, I am delighted today to join with Senator DASCHLE, Senator CRANSTON, and others to introduce the Veterans' Agent Orange Exposure and Vietnam Service Benefits Act of 1989.

This is the third consecutive year that Senator DASCHLE and I have introduced such legislation and I am pleased that this year, as was the case last year, we are joined by the chairman of the Senate Veterans' Affairs Committee, Senator ALAN CRANSTON. I also want to thank our other cosponsors: Senators JEFFORDS, DECONCINI, MATSUNAGA, BRADLEY, SIMON, WIRTH, PELL, KOHL, KERREY, BURDICK, ADAMS, GORE, BINGAMAN, MOYNIHAN, and BIDEN.

At long last we can say that the momentum is with us. The recent decision by U.S. District Judge Thelton Henderson was a major victory for veterans. Judge Henderson declared that the government has too strictly defined the standard of proof required of veterans claiming injury from agent orange. The benefit of the doubt should be with the veteran.

That is exactly what many of us in Congress have been saying for years.

The court decision is a vindication for the thousands of veterans who believe that their exposure to agent orange made them ill. It has far-reaching implications: The Department of Veterans Affairs will be required to review the claims of some 34,000 veterans, and in the Department's review the veteran will be given the benefit of the doubt.

The Secretary of Veterans Affairs, Edward Derwinski, has stated that the Department will not appeal the decision. This, in my opinion, is very good news.

Secretary Derwinski has indicated that the Department will issue new regulations within the next few months that will conform to the spirit of the court decision.

Secretary Derwinski has taken a much needed step to repair the image of the Department of Veterans Affairs which has suffered in recent years among Vietnam veterans.

It's been a long struggle for the veteran of Vietnam who returned from war over 14 years ago. The Vietnam veteran returned to a country that didn't seem to value his service. Then came the recognition that the branch of the government that was supposed to be an advocate for the veteran was not, in fact, willing to speak out on those issues that were really important. The veteran, who once fought the Vietcong, was now fighting the Veterans' Affairs.

We are glad to see that this is finally changing. We are glad to see that Secretary Derwinski is acting as an advocate for the veteran.

The 1989 Veterans' Agent Orange and Victims Service Disabilities Act of 1988 provides compensation on an interim basis for only two diseases, soft-tissue sarcoma and non-Hodgkins lymphona. We are not opening up the floodgates for compensation. But when you consider how much has already been spent on agent orange research, the extent of compensation seems mimimal. Consider, for instance, that in October 1987, the White House Agent Orange Working Group reported that more than $91 million had been spent on completed research projects, an additional $120 million on continuing projects and an estimated $186 million is estimated over the next 15 years to complete them.

I favor continued research into agent orange, but we can't wait another 15 years for evidence that may never be conclusive. I think it's time—well past time—to provide compensation to the veterans. We need to compensate on the basis of the existing evidence and using the reasonable doubt standard.

The disability benefits for Vietnam veterans suffering from non-Hodgkin's lymphona and soft-tissue sarcoma will be provided on an interim basis through April 15, 1992. By that date the Center for Disease Control will have issued its final report on agent orange. We have included a new provision in this year's bill that will guarantee House and Senate votes on a resolution, introduced after January 1, 1992, to either extend or make permanant the benefits. The votes will occur under expedited procedures.

As it did last year, the bill will also establish a permanent presumption of service connection for chlorane in Vietnam veterans whose chlorane became manifest within 1 year of their service in Vietnam.

Perhaps the most important addition to this year's legislation is the requirement that the Department review of scientific literature of agent orange and other toxic chemicals. The legislation provides a mechanism under which the Department of Veterans Affairs must determine, based on biennial independent scientific review covering all germane evidence, whether permanant disability benefits should be given to veterans with soft-tissue sarcoma, non-Hodgkin's lymphona or any other diseases deter-

mined to have a positive association with exposure to agent orange or other toxic chemicals used in Vietnam. The National Academy of Sciences [NAS] will conduct the reviews unless it declines to do so. If it does Congress will request the reviews from the Office of Technology Assessment.

The bill further requires that the Secretary of Health and Human Services submit a report on research being conducted to identify and develop treatment for exposure to dioxin and other toxic agents in herbicides. It also extends veterans' eligibility for free medical care based in agent orange or ionizing radiation exposure through December 31, 1993.

The bill requires the Department of Veterans Affairs compile, analyze, and report on a continuing basis, clinical data from the health records of veterans examined or treated for disabilities related either to: First, dioxin or other toxic agents, in herbicides; or, second, Vietnam service. The bill requires the Department of Veterans Affairs to fund independent pilot studies to determine whether or not future scientifc research on Vietnam service-related disabilities is feasible. Finally, the Department of Veterans' Affairs is required to establish a tissue archiving system of voluntarily contributed blood and tissue samples to facilitate future research.

Mr. President, I believe this is an important bill and I hope that the Senate considers it and approves it in the near future. It respresents a compromise, particularly on the issue of interim verus permanant benefits.

However, as was the case last year, the real battle ground over compensation will be the House of Representatives. I am hopeful that swift passage of this bill will send a message to our colleagues in the House. I am hopeful that Judge Henderson's decision will send a message to our colleagues in the House. I am hopeful that Secretary Derwinski's comments on the agent orange court decision and his willingness to rewrite the regulations will send a message to our colleagues in the House. That message is: The time for compensation of the agent orange victim is long overdue.

In introducting agent orange legislation last year I said that providing compensation to agent organge victims was a simple matter of justice. I still believe this to be true. The difference between this year and last year is that we've taken an important step forward and the momentum is now with us.

We can never give back to the Vietnam veteran what he gave to this Nation. All we can hope to do is to give him justice.

By Mr. JOHNSTON (by request):

S.J. Res. 154. Joint resolution to consent to certain amendments enacted by the Legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920; to the Committee on Energy and Natural Resources.

CONSENT OF THE CONGRESS TO CERTAIN AMENDMENTS TO THE HAWAIIAN HOMES COMMISSION ACT

● Mr. JOHNSTON. Mr. President, at the request of the administration, I send to the desk for appropriate reference a joint resolution to consent to certain amendments enacted by the Legislature of the State of Hawaii to the Hawaiian Homes Commission Act, 1920.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the joint resolution, and the executive communication which accompanied the proposal from the Secretary of the Interior, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S.J. Res. 154

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, as required by section 4 of the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union," approved March 18, 1959 (73 Stat. 4), the United States hereby consents to the following amendments to the Hawaiian Homes Commission Act, 1920, as amended, adopted by the State of Hawaii in the manner required for State legislation: Act 16, Act 75, Act 84, and Act 249 of the Session Laws of Hawaii, 1986; and Act 36 of the Session Laws of Hawaii, 1987.

EXECUTIVE COMMUNICATION

Amendments to the Hawaiian Homes Commission Act, 1920, Enacted in Hawaii in 1986 and 1987, to which the proposed Joint Resolution would provide the consent of the United States

Act 16 of 1986: Authorizes the Department of Hawaiian Home Lands (the State agency which administers the Hawaiian Home lands program) to participate in any Federal or State program that permits the establishment of enterprise zones on Hawaiian home lands. The principal purpose of such enterprise zones would be to encourage the employment of economically disadvantaged Native Hawaiians.

Act 75 of 1986: Provides an alternative means by which Hawaiian home lands may be made available to Native Hawaiians. Under existing law, Native Hawaiians may obtain 99-year leases at $1 per year, but they cannot pledge their leasehold interest to secure private financing except for loans insured or guaranteed by a Federal agency. Private lenders are thus unable to place a mortgage lien on homestead properties. Act 75 provides an alternative method, termed a Homestead General Lease Program, under which Native Hawaiians may lease Hawaiian home lands for residential, agricultural, pastoral, or aquacultural purposes. The Department of Hawaiian Home Lands (Department) is authorized to subdivide and improve any Hawaiian home lands for the foregoing purposes and can also enter into agreements with developers for the development and construction of improvements. The resulting lots or parcels may be leased for an initial term of not more than fifty-five (55) years at fair market value. Native Hawaiians on the Department's waiting lists would receive priority for such leases, followed by other Native Hawaiians. If lots or parcels are available after all interested and qualified Native Hawaiians have received leases, the remaining lots may be disposed of at fair market rental to the general public. Homestead general lessees may encumber their leasehold interests by mortgage loans from the private sector, and may transfer their interests by subletting, bequests, or otherwise. The Department of Hawaiian Home Lands is further authorized to convert any homestead lease to a homestead general lease in accordance with procedures to be adopted by the Department. Act 75 provides for its repeal, and thus for the termination of the Homestead General Lease Program, either five years after the United States has consented to the Act, or on December 31, 1995, whichever occurs first.

Act 84 of 1986: Authorizes the Department of Hawaiian Home Lands to enter into agreements with private developers for the development of Hawaiian home lands for either homestead purposes or for income generating purposes. The Department of Hawaiian Home Lands is authorized under existing law to enter into such agreements; it also has authority to enter into general leases in order to derive income for use in meeting the administrative costs of the Department. Act 84 would largely perpetuate existing law, but it would exempt the Department from the requirement that its private development agreements be approved by both the Legislature and the Governor. That requirement is time-consuming. It can lead to uncertainty and it may preclude the timely response to opportunities. Act 84 would also permit the Department of Hawaiian Home Lands to negotiate contract provisions conferring particular benefits upon Native Hawaiians.

Act 85 of 1986: Expands the authority of the Department of Hawaiian Home Lands with respect to the financing of improvements on homestead lands and for infrastructure development. Many lessees have been unable to construct homes on their leaseholds due to the lack of loan financing. The lack of funds has also hampered the Department's ability to construct needed infrastructure in homestead subdivisions. Act 85 is intended to meet this problem in two ways. First, it permits the Department to obtain loans by using its loan accounts receivables (e.g., money owed by its present borrowers), as collateral for loans from financial institutions. The money borrowed would be used by the Department for making loans to homestead lessees for home construction, and for the construction of infrastructure in homestead subdivisions. Second, Act 85 enables the Department to fulfill conditions under which homestead lessees can participate in the United States Department of Housing and Urban Development (HUD) insured loan program. Terms of the agreement developed by the Department and HUD require that a cash reserve be established to cover any potential defaults on the part of the mortgagee, and allows the transfer to that reserve of available funds from certain of the Department's other loan funds.

Act 249 of 1986: Reduces from fifteen to seven the number of fiscal accounts that the Department of Hawaiian Home Lands is required by law to maintain. As a result of amendments enacted following Statehood,

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the Hawaiian Homes Commission Act required the maintenance of seven separate revolving funds and eight other special funds. Act 249 abolishes some such funds and merges others in order to simplify the funding structure. This action promotes more efficient and economical management.

Act 36 of 1987: Repeals Act 112 of 1981, which was excluded from the consent provided by Public Law 99-557 because it was in conflict with an amendment later enacted in Hawaii. Act 112 had provided a new method of calculating the amount due in the event of surrender or cancellation of a lease, or the death of a lessee who had no qualified heir. The effect of Act 36 is to continue substantially the earlier method of calculating the amount due, which requires payment by the Department of Hawaiian Home Lands of the appraised value of improvements, including growing crops, on the leasehold. Act 36 also permits payment to be made by the Department from the General Loan Fund if the Home Loan Fund is inadequate for that purpose.●

ADDITIONAL COSPONSORS

S. 13

At the request of Mr. CRANSTON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 13, a bill to amend title 38, United States Code, to increase the rates of disability compensation and dependency and indemnity compensation for veterans and survivors, to increase the allowances paid to disabled veterans pursuing rehabilitation programs and to the dependents and survivors of certain disabled veterans pursuing programs of education, and to improve various programs of benefits and health-care services for veterans; and for other purposes.

S. 16

At the request of Mr. CRANSTON, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 16, a bill to require the executive branch to gather and disseminate information regarding, and to promote techniques to eliminate, discriminatory wage-setting practices and discriminatory wage disparities which are based on sex, race, or national origin.

S. 86

At the request of Mr. CRANSTON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 86, a bill to amend title 38, United States Code, to improve the capability of the Department of Veterans' Affairs health-care facilities to provide the most effective and appropriate services possible to veterans suffering from mental illness, especially conditions which are service-related, through the designation of up to five of its facilities as centers of mental illness research, education, and clinical activities and for other purposes.

S. 231

At the request of Mr. MOYNIHAN, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 231, a bill to amend part A of title IV of the Social Security Act to improve quality control standards and procedures under the Aid to Familes With Dependent Children Program, and for other purposes.

S. 405

At the request of Mr. CRANSTON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 405, a bill to amend title 18, United States Code, to require the Department of Veterans' Affairs to conduct a program providing community-based residential treatment for homeless chronically mentally ill veterans and to authorize the inclusion of certain other chronically ill veterans in such program, and for other purposes.

S. 432

At the request of Mr. ROCKEFELLER, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 432, a bill to direct the Secretary of Transportation to identify scenic and historic roads and to develop methods of designating, promoting, protecting, and enhancing roads as scenic and historic roads.

S. 478

At the request of Mr. DODD, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 478, a bill to provide Federal assistance to the National Board for Professional Teaching Standards.

S. 635

At the request of Mr. MCCLURE, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 635, a bill to prevent the unintended licensing of federaly nonjurisdictional pre-1935 unlicensed hydroelectric projects.

S. 640

At the request of Mrs. KASSEBAUM, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 640, a bill to regulate interstate commerce by providing for uniform standards of liability for harm arising out of general aviation accidents.

S. 727

At the request of Mr. HEFLIN, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from North Carolina [Mr. HELMS], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 727, a bill to amend the Animal Welfare Act to provide protection to animal research facilities from illegal acts.

S. 753

At the request of Mr. GORE, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 753, a bill to provide a special statute of limitations for certain refund claims.

S. 839

At the request of Mr. ADAMS, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 839, a bill to provide for the safe operation of tanker traffic in Puget Sound, to improve the ability to respond to tanker vessel accidents in Puget Sound, and for other purposes.

S. 892

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 892, a bill to exclude agent orange settlement payments from countable income and resources under Federal means-tested programs.

S. 947

At the request of Mr. CRANSTON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 947, a bill to amend title 38, United States Code, to improve conditions of employment for employees of the Veterans Health Services and Research Administration, and for other purposes.

S. 979

At the request of Mr. DASCHLE, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 979, a bill to provide grants for designating rural hospitals as medical assistance facilities.

S. 1060

At the request of Mr. PRYOR the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1060, a bill to amend the Internal Revenue Code of 1986 to provide refundable income tax credits to primary health services providers who work in rural health manpower shortage areas, and for other purposes.

S. 1087

At the request of Mr. BURNS, the names of the Senator from Utah [Mr. HATCH] and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 1087, a bill to amend the Disaster Assistance Act of 1988 to provide disaster assistance to orchard owners who have suffered losses as a result of freeze damage in 1989, and for other purposes.

SENATE JOINT RESOLUTION 114

At the request of Mr. THURMOND, the names of the Senator from Nevada [Mr. REID], the Senator from Indiana [Mr. LUGAR], the Senator from Vermont [Mr. JEFFORDS], the Senator from North Dakota [Mr. CONRAD], the Senator from Mississippi [Mr. COCHRAN], the Senator from Virginia [Mr. ROBB], the Senator from Arizona [Mr. DECONCINI], the Senator from South Dakota [Mr. PRESSLER], the Senator from Iowa [Mr. GRASSLEY], the Senator from Alabama [Mr. SHELBY], and the Senator from Wisconsin [Mr. KOHL] were added as cosponsors of Senate Joint Resolution 114, a joint

resolution expressing the sense of the Congress that the people of the United States should purchase products made in the United States and services provided in the United States, whenever possible, instead of products made or services performed outside the United States.

SENATE JOINT RESOLUTION 116

At the request of Ms. MIKULSKI, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of Senate Joint Resolution 116, a joint resolution to designate the week beginning October 8, 1989, as "National Infertility Awareness Week."

SENATE JOINT RESOLUTION 121

At the request of Mr. DECONCINI, the names of the Senator from Delaware [Mr. ROTH] and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of Senate Joint Resolution 121, a joint resolution to provide for the designation of September 14, 1989, as "National D.A.R.E. Day."

SENATE JOINT RESOLUTION 122

At the request of Mr. LUGAR, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Florida [Mr. GRAHAM], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 122, a joint resolution to designate October 1989 and 1990 as "National Down Syndrome Month."

SENATE JOINT RESOLUTION 129

At the request of Mr. DOLE, the name of the Senator from New Hampshire [Mr. RUDMAN] was added as a cosponsor of Senate Joint Resolution 129, a joint resolution to provide for the designation of September 15, 1989, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 136

At the request of Mr. SPECTER, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Joint Resolution 136, a joint resolution designating August 8, 1989, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 140

At the request of Mr. GLENN, the names of the Senator from Illinois [Mr. DIXON], the Senator from Indiana [Mr. COATS], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of Senate Joint Resolution 140, a joint resolution designating November 19–25, 1989, as "National Family Caregivers Week."

SENATE JOINT RESOLUTION 146

At the request of Mr. CHAFEE, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Joint Resolution 146, a joint resolution designating the week of September 24, 1989, as "Religious Freedom Week."

At the request of Mr. PELL, the names of the Senator from Minnesota [Mr. DURENBERGER] and the Senator from West Virginia [Mr. BYRD] were added as cosponsors of Senate Joint Resolution 146, supra.

SENATE JOINT RESOLUTION 150

At the request of Mr. DECONCINI, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of Senate Joint Resolution 150, a joint resolution to designate August 1, 1989, as "Helsinki Human Rights Day."

SENATE CONCURRENT RESOLUTION 16

At the request of Mr. BOSCHWITZ, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Concurrent Resolution 16, a concurrent resolution calling for the Government of Vietnam to expedite the release and emigration of all political prisoners.

SENATE CONCURRENT RESOLUTION 40

At the request of Mr. CRANSTON, the names of the Senator from Missouri [Mr. DANFORTH] and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of Senate Concurrent Resolution 40, a concurrent resolution to designate June 21, 1989, as "Chaney, Goodman, and Schwerner Day."

SENATE RESOLUTION 13

At the request of Mr. DOLE, the names of the Senator from North Dakota [Mr. CONRAD] and the Senator from New Hampshire [Mr. RUDMAN] were added as cosponsors of Senate Resolution 13, a resolution to amend Senate Resolution 28 to implement closed caption broadcasting for hearing impaired individuals of floor proceedings of the Senate.

SENATE RESOLUTION 99

At the request of Mr. BOSCHWITZ, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of Senate Resolution 99, a resolution requiring the Architect of the Capitol to establish and implement a voluntary program for recycling paper disposed of in the operation of the Senate.

SENATE RESOLUTION 119

At the request of Mr. WILSON, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Resolution 119, a resolution concerning the 1986 agreement between the United States and Japan regarding the Japanese semiconductor market.

AMENDMENTS SUBMITTED

NATURAL GAS DECONTROL ACT OF 1989

METZENBAUM AMENDMENT NO. 144

Mr. METZENBAUM proposed an amendment to the bill (H.R. 1722) to amend the Natural Gas Policy Act of 1978 to eliminate wellhead price and nonprice controls on the first sale of natural gas, and to make technical and conforming amendments to such act, as follows:

At the end of the bill insert the following new section:

SEC. 3. REINSTITUTION OF CONTROLS.

(a) FREEZING OF PRICE.—On any date (referred to as the "freeze date") that the Commission determines that the composite price of competitive spot market prices of natural gas exceeds by more than 100 percent the composite price of competitive spot market prices as of January 1, 1989, adjusted for inflation, the maximum lawful price for all first sales of natural gas shall be set, commencing the day after the Commission makes that determination, at the composite price of competitive spot market prices as of the freeze date.

(b) ADJUSTMENT OF MAXIMUM LAWFUL PRICE.—After a maximum lawful price has been set pursuant to subsection (a), the Commission shall adjust the maximum lawful price monthly by a factor equal to the change in the Consumer Price Index for each month, to take effect on the first day of the following month.

(c) DEFINITIONS.—For the purposes of this section—

(1) the term "Commission" means the Federal Energy Regulatory Commission; and

(2) the term "composite price of competitive spot market prices" means the composite price of competitive spot market prices of natural gas as determined by the Commission based on prices reported in at least 3 trade periodicals published at regular intervals by entities not engaged in the business of buying, selling, transporting, or brokering natural gas and not affiliated with any such entities.

METZENBAUM AMENDMENT NO. 145

Mr. METZENBAUM proposed an amendment to the bill H.R. 1722, supra, as follows:

At the end of the bill insert the following new section:

SEC. 3. REFUNDS FOR OVERCHARGES.

(a) AMENDMENT OF SECTION 4(e) OF THE NATURAL GAS ACT.—The second and third sentences of section 4(e) of the Natural Gas Act (15 U.S.C. 717c(e)) are amended to read as follows: "Where changes in rates or charges are thus made effective, the Commission may, by order, require the natural-gas company to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such changes, specifying by whom and in whose behalf such amounts were paid, and, upon

completion of the hearing and decision, to order such natural-gas company to refund, with interest, the portion of such rates or charges by its decision found not justified. At any hearing involving a rate or charge sought to be changed, the burden of proof to show that the changed rate or charge is just and reasonable shall be upon the natural-gas company, and the Commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.".

(b) AMENDMENT OF SECTION 5 OF THE NATURAL GAS ACT.—Section 5 of the Natural Gas Act (15 U.S.C. 717d) is amended by redesignating subsection (b) as subsection (c) and inserting the following new subsection following subsection (a):

"(b) At the conclusion of any proceeding under this section, the Commission shall order the natural-gas company to make refunds of such amounts as have been paid, for the period subsequent to the refund effective date, in excess of those which would have been paid under the just and reasonable rate, charge, classification, rule, regulation, practice, or contract, which the Commission orders to be thereafter observed and in force. The refunds shall be made, with interest, to those persons who have paid those rates or charges which are the subject of the proceeding. The Commission shall establish the refund effective date. In the case of a hearing instituted on complaint, the refund effective date shall not be earlier than the date that is 60 days after the date of filing of the complaint or later than 5 months after the expiration of such 60-day period.".

(c) EFFECTIVE DATE.—(1) The amendments made by this section shall not apply to any proceeding under the Natural Gas Act commenced before the date of enactment of this Act.

(2) A proceeding to which the amendments made by this section does not apply by reason of paragraph (1) may be withdrawn and refiled without prejudice.

(d) STUDY.—(1) Not earlier than 3 years and not later than 4 years after the date of enactment of this Act, the Commission shall perform a study of the effect of the amendments to the Natural Gas Act made by this Act.

(2) The study required by paragraph (1) shall analyze—

(A) the impact, if any, of such amendments on the cost of capital paid by natural-gas companies;

(B) any change in the average time taken to resolve proceedings under section 5; and

(C) such other matters as the Commission may deem appropriate in the public interest.

(3) Upon completion the study required by paragraph (1) shall be submitted to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.

EXTENDING TIME LIMITATIONS ON CERTAIN PROJECTS

GORTON (AND ADAMS) AMENDMENT NO. 146

Mr. McCLURE (for Mr. GORTON, for himself and Mr. ADAMS) proposed an amendment to the bill (S. 750) extending time limitations on certain projects, as follows:

On page 1, line 6, and on page 2, line 5, insert "2833," between the word "numbered" and the number "4204";

On page 2, line 2, before the word "section", insert "such"; and

On page 2, line 19, before the word "under", insert the following: "concerning projects 4204, 4659, and 4660".

RELEASE OF POLITICAL PRISONERS IN VIETNAM

BOSCHWITZ AMENDMENT NOS. 147 AND 148

Mr. McCLURE (for Mr. BOSCHWITZ) proposed two amendments to the concurrent resolution (S. Con. Res. 16) calling on the Government of Vietnam to expedite the release and emigration of all political prisoners, as follows:

AMENDMENT No. 147

On page 2, beginning on line 4, strike out "(1)" and all that follows through the period on line 14 and insert in lieu thereof the following:

"(1) to make public the names of all individuals who continue to be held in "reeducation" camps or prisons in connection with suspected opposition to the Government of Vietnam;

"(2) to release immediately all remaining long-term "reeducation" camp or prison detainees, as well as individuals imprisoned in Vietnam in recent years because of their political or religious expression or related nonviolent activities; and

"(3) to resume negotiations, without preconditions, with the United States concerning the emigration from Vietnam of current and former detainees and their families, in accord with the commitment of the Government of Vietnam to allow their emigration."

AMENDMENT No. 148

On pages 1 and 2, strike out the Preamble and insert in lieu thereof the following:

"Whereas 14 years have passed since the end of the Vietnam conflict;

"Whereas thousands of opponents of the Government of the Socialist Republic of Vietnam, including officials of, and others associated with, the former Republic of Vietnam, were detained without trial in 'reeducation' camps or prisons beginning in 1975;

"Whereas a series of large-scale anmesties took place in the late 1980's resulting in the release of many detainees;

"Whereas despite these welcome releases, many Vietnamese remain in long-term detention because of their suspected opposition to the Government of Vietnam, and many family members of detainees do not know their status;

"Whereas the Government of Vietnam has continued in recent years to imprison individuals because of their political and religious expression or association or related nonviolent activity;

"Whereas the Government of Vietnam has stated publicly that the remaining 'reeducation' camp or prison detainees would be released and that former detainees would be allowed to emigrate;

"Whereas the United States has repeatedly stated that the resettlement of 'reeducation' camp or prison detainees is one of its highest priorities in its dealing with Vietnam on humanitarian issues and has made it clear to the Government of Vietnam that it is willing to allow former and current detainees to enter the United States;

"Whereas at negotiations held in Hanoi in July 1988, the United States and Vietnam agreed in principle on the resettlement of those released fom 'reeducation' camps or prisons and Vietnam reaffirmed that released detainees and their families could emigrate from Vietnam;

"Whereas the Government of Vietnam subsequently suspended negotiations on the issue of the resettlement of detainees and their families; and

"Whereas the willingness of the Government of Vietnam to satisfactorily resolve this humanitarian issue will have an important bearing on the relationship between Vietnam and the United States: Now therefore be it"

Amend the title so as to read:

"Calling on the Government of the Socialist Republic of Vietnam to expedite the release and emigration of 'reeducation' camp detainees".

AGENT ORANGE SETTLEMENTS

MITCHELL AMENDMENT NO. 149

Mr. MITCHELL (for Mr. MOYNIHAN) proposed an amendment to the bill (S. 892) to exclude agent orange settlement payments from countable income and resources under Federal means-tested programs, as follows:

Strike out section 1(b) of the bill and insert in lieu thereof the following:

(b) EFFECTIVE DATE.—The provisions of this section shall become effective on January 1, 1989.

SENATE RESOLUTION 143—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. MITCHELL (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 143

Whereas, in the case of *The Honorable Alcee L. Hastings, United States District Judge* v. *The United States Senate, et al.*, No. 89-1602, pending in the United States District Court for the District of Columbia, the plantiff has named as defendants the Senate; the Impeachment Trial Committee that has been appointed pursuant to Senate Resolution 38, 101st Congress, and Rule XI of the Rules of Procedure and Practice in the Senate When Sitting on Impeachment Trials; Walter J. Stewart, the Secretary of the Senate; and Joseph E. Jenifer, the Acting Public Printer of the United States;

Whereas, by Senate Resolution 141 of the 101st Congress, the Senate has directed the Senate Legal Counsel to represent the United States Senate, the Impeachment Trial Committee, and the Secretary of the Senate in this action;

Whereas, the complaint states that the plaintiff will be seeking an injunction to restrain the Acting Public Printer "from printing or distributing any records, transcripts, order or reports submitted by or on

behalf of the Impeachment Trial Committee or, with respect to Article I through XV and Article XVII, by or on behalf of the Senate";

Whereas, the Acting Public Printer has requested that the Senate authorize the Senate Legal Counsel to represent him in this proceeding together with the Senate defendants;

Whereas, pursuant to section 708(c) of the Ethics in Government Act of 1978, 2 U.S.C. 288g(c) (1982), the Senate may direct the Senate Legal Counsel to perform such other duties consistent with the statutory authority of the Senate Legal Counsel as the Senate may direct; Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Joseph E. Jenifer, the Acting Public Printer of the United States, in the case of *The Honorable Alcee L. Hastings, United States District Judge* v. *The United States Senate, et al.*

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Thursday, June 22, 1989, to assess the problems faced by small businesses in complying with the paperwork requirements of the Occupational Safety and Health Administration's hazard communications standard. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 9:30 a.m. For further information, please call Nancy Kelley of the committee staff at 224-2809.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet on Wednesday, June 14, 1989, at 9 a.m., in SR-301, to resume its consideration of S. 874, the National Voter Registration Act of 1989. At this markup the committee will act on amendments to my amendment in the nature of a substitute which was adopted by the Rules Committee at its June 8 meeting. It is anticipated that next Wednesday's markup of S. 874 will last until 10:30 a.m.

At 10:30 a.m., the committee will hold its third in a series of hearings on the subject of congressional campaign finance legislation. Individuals and organizations will present their views on the following bills introduced this session: S. 7, S. 56, S. 137, S. 242, S. 330, S. 332, S. 359, and S. 597.

For further information regarding the markup and hearing, please contact Jack Sousa, chief counsel of the Rules Committee, on 224-5648.

SUBCOMMITTEE ON AGRICULTURAL CREDIT

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Agricultural Credit of the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on June 19, 1989, from 1 to 4 p.m. on the implementation of the Agricultural Credit Act of 1987: borrowers rights and restructuring provisions. The hearing will be held in room 332, Russell Senate Office Building.

Senator KENT CONRAD will preside. For further information please contact Kent Hall of the subcommittee staff or Lisa Novacek of Senator CONRAD's office at 224-2043.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS, AND FORESTS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, June 8, 1989, 9:30 a.m. for a hearing to receive testimony on S. 555, a bill to establish in the Department of the Interior the De Soto Expedition Trail Commission, and for other purposes; S. 624, a bill to provide for the sale of certain Federal lands to Clark County, NV, for national defense and other purposes; and S. 830, a bill to amend Public Law 99-647, establishing the Blackstone River Valley National Heritage Corridor Commission, to authorize the Commission to take immediate action in furtherance of its purposes and to increase the authorization of appropriations for the Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON STRATEGIC FORCES AND NUCLEAR DETERRENCE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Strategic Forces and Nuclear Deterrence of the Committee on Armed Services be authorized to meet on Thursday, June 8, 1989, at 2 p.m. in open/closed session to receive testimony on the Chemical Deterrent Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON READINESS, SUSTAINABILITY AND SUPPORT

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Readiness, Sustainability and Support of the Committee on Armed Services be authorized to meet on Thursday, June 8, 1989, at 2 p.m. in open session to receive testimony on environmental restoration programs in the Department of Defense in review of S. 1085, the Department of Defense authorization bill for fiscal years 1990-91.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Thursday, June 8, 1989, at 10 a.m. to conduct hearings on the nomination of John B. Taylor, of California, to be a member of the Council of Economic Advisers; and, to vote on the nominations of Alfred DelliBovi, to be Under Secretary of Housing and Urban Development, and Susan Carol Schwab, to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, June 8, 1989, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Thursday, June 8, 1989 at 10 a.m. to conduct a hearing on "Women in Non-Traditional Work," S. 975.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Thursday, June 8, 1989, at 2 p.m. to hold a markup on Senate Joint Resolution 14 and Senate Joint Resolution 23, line item veto.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMERS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Consumer Subcommittee of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 8, 1989, at 9:30 a.m. to hold a hearing on the Federal Trade Commission reauthorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Subcommittee on Energy Research and Development of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate June 8, 1989, 2 p.m. for an oversight hearing to receive testimony on the status of the current and future use of alternative motor vehicle fuels in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. JOHNSTON. Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Thursday, June 8, at 9:30 a.m., on the subject: Oversight of the District of Columbia drug problem. For further information, please call Len Weiss, staff director, at 224-4751.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 8, at 2 p.m. to hold an Ambassadorial nomination hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BILL VINCENT

● Mr. REID. Mr. President, a great many volunteers contribute to the well being of our Nation and receive little recognition. President Bush recognized the importance of their work and achievements by referring to our volunteers as a "thousand points of light." Today, I wish to focus on the achievements of one of those points of light that we find in the city of lights—Las Vegas, NV.

Mr. Bill Vincent has spent much of his life working for the preservation of our environment and improvement of people's way of life. His long career in the media signifies the importance that Bill places on an educated public being able to make informed decisions for themselves as well as for this Nation.

Bill Vincent was born October 30, 1914, in Grand Junction, CO. He attended Denver University and Columbia University. At a time when working conditions were far different than they are today, he traveled the South and Northeast organizing workers for the International Ladies' Garment Workers' Union. Later, he tried gold mining in Colorado and northern Nevada. He also tried farming and logging in Washington State, and today he continues to grow trees on his farm in Washington. Bill's involvement with working men and women in America and his background in mining, farming, and logging have allowed Bill to communicate with a variety of people on a variety of issues. His early years provided Bill with the background to be an effective catalyst for other volunteers in Nevada today.

His career in the news media includes being an editor of the Farmers Union in Colorado, a reporter for United Press International, a news director for a radio station in Fresno, CA, and a reporter and editor for the Las Vegas Review-Journal. He spent 14 years as editor of the Review-Journal's Sunday Nevadan magazine, where he gave great attention to hunting, fishing, recreation, and environmental issues.

It is in the protection of Nevada's environment and our people's way of life where Bill has excelled. He was named Conservation Communicator of the Year by the Nevada Wildlife Federation in 1971, and in 1980 he received the Governor's Conservationist of the Year Award from the federation. In June 1987 Friends of the United Nations Environment Programme named him as 1 of 500 honorees. These are just a few of the notable achievements in his life, but there are more, less publicized, accomplishments as well.

Bill has worked hard to preserve some of Nevada's outstanding forested mountain ranges as wilderness, and he has also worked to preserve some of our few remaining wild areas along the Colorado River. I am hopeful that this 25th anniversary year of the Wilderness Act, Bill will see additional Forest Service areas in Nevada protected as wilderness by this Congress.

Bill worked hard to keep the racetrack based MX missile out of our State. Over time people throughout Nevada and our Nation came to realize that he was right in opposing an expensive, large-scale weapons system that would have dramatically changed the character and environment of Nevada and Utah.

Bill has worked with Citizens Alert in Nevada to oppose the designation of Nevada and Yucca Mountain as this Nation's high-level nuclear waste dump. Many Nevadans share his concerns. Time will tell how many others will recognize what he recognizes—that Yucca Mountain and Nevada are not the solution to this Nation's growing problem with nuclear waste.

These three major issues for Nevada and the Nation are just a few of the issues Bill has addressed during his years in Nevada. I believe his achievements and style will serve as an example for years to come on what an individual can do if only they try. Nevada and the Nation are better today because of the work of this volunteer in the city of lights—Las Vegas.

I will be joining other Nevadans on June 27, 1989, in paying tribute to the work of Bill Vincent through the presentation of a distinguished service award. When one learns of Bill's past efforts, it seems only fitting that the distinguished service award will consist of a planting of trees in a city park. The trees, like Bill, will improve the environment and make the city and State a better place to live.●

INCLUDING DEPRECIABLE ASSETS IN ANY CUT IN THE CAPITAL GAINS RATE

● Mr. BOSCHWITZ. Mr. President, for more than 2 years now, I have been coming to the floor of the U.S. Senate to speak about the need to reduce the tax on capital gains in order to stimulate capital formation and job creation. Treating capital gains as ordinary income, as the current Tax Code does, encourages investors to look for less risky, short-term investments. Because the incentive to make riskier investments has been eliminated from the Tax Code, capital for new ventures is in short supply.

True to his campaign promise, President Bush has now proposed a reduction in the tax on capital gains. His proposal goes a long way toward correcting the problems resulting from the current high tax rate and I commend him for taking the lead on this issue.

President Bush's proposal properly addresses the need to encourage long-term investment. However, I am disappointed that the President's proposal ignores a larger segment of the investor community, those who have invested in depreciable assets. These assets include machinery, commodities such as coal, iron ore or timber and improved real estate.

I believe we need to go further and include depreciable assets in any cut in the capital gains tax rate. After all, if reducing the tax rate for nondepreciable assets will be a boon to our economy—and I believe it will—including one of the largest segments of the economy, depreciable real estate, should really do the job.

Frequently, I hear the argument that a reduction in the capital gains rate will only benefit the wealthy. But let's look at the effect high capital gains rates have on ordinary citizens.

A hard-working, middle-class couple operates a small business or farm, which they own. After many years of hard work, they decide to sell their business or farm, most likely to provide for their retirement. Inflation helps to provide them with a large gain on their sale. For 1 year they are "rich"—and they are taxed at the top rates, because the gain resulting from years of work and sacrifice is treated, for tax purposes, no differently than a gain from a short-term transaction. The following year, the couple reverts back to their middle-income status. But these taxpayers have been severely taxed on the illusionary gains resulting from simply holding on to their farm or business.

This case shows in striking terms the disincentive which now exists for making long-term investments. Clearly, under the present tax system, it is not in the interest of the farmer or small businessman to build a business

or farm up over time and then sell it, since they stand to realize a loss in real terms.

The point I am making is that while President Bush's proposal will help to encourage long-term investment, it will do nothing to help those who have built businesses or farms over a lifetime from being taxed on the inflationary gain. This is why I believe we need to include depreciable assets in any cut in the capital gains tax rate.●

STRATEGIES FOR ADOPTION

● Mr. HUMPHREY. Mr. President, family life for members of our military is not easy under the best of circumstances. For families trying to adopt, the often transient military lifestyle can compound difficulties in an already lengthy and bureaucratic process.

For those military families who persevere, the rewards are tremendous. Military families are a source of nurturing and love for children who need both. This month's issue of Military Lifestyle, a publication of the Department of Defense, carries an article documenting the struggles and rewards for members of the military who chose adoption. I hope Senators will take a moment to review this article.

The Department of Defense should be supportive of families who wish to adopt. Two years ago, Congress agreed to a proposal which I offered to establish a test program for adoption benefits for members of the military. The results to date have been very positive. According to a DOD official quoted in Military Lifestyle, "Very positive comments are coming in regarding morale and retention." Indeed, I have received scores of letters and phone calls from service men and women underscoring the importance of this modest program.

I have introduced legislation, S. 278, to make this program permanent. I encourage all Senators to support this bill.

Mr. President, the patriotic men and women who serve our country in the armed services are deserving of children to raise. And the children deserve these parents. I ask that a copy of "Strategies for Adoption," be printed in the RECORD.

The article follows:

STRATEGIES FOR ADOPTION

FOR MILITARY COUPLES WHO WANT A CHILD, PERSEVERANCE IS THE KEY

(By Linda Taylor)

"There are more babies available for adoption than the general public realizes," says Christine Adamec, author of "There ARE Babies to Adopt: A Resource Guide for Prospective Parents" (Adoption Advocates Press).

Adamec has become one of the nation's foremost authorities on adoption. She says her purpose in writing the book, as well as in appearing on television programs such as "Hour Magazine," was to chronicle her experiences down the adoption path and offer new hope to those who desperately seek to adopt a baby.

Adamec first became interested in adoption in 1982 when, as a member of the Air Force reserve, she worked for Capt McBurnett Smith, Jr., at Hanscom AFB, Mass.

He and his wife experienced many problems with the Korean government when they tried to adopt an abandoned Amerasian child while they were stationed in Seoul. After talking with the Smiths, Adamec wrote several articles about adoption. And in 1986, she and her husband, John, and their two biological children decided to adopt a baby boy.

"The experience was easier than we'd imagined," says Adamec. "We got Stevie when he was only four days old. I wanted to share our joy, and felt bad that so many people have trouble adopting. Some are convinced it's impossible to adopt an infant."

Those who knew Adamec weren't surprised at her rapid success. A former Air Force officer now working as a professional writer, Adamec was never discouraged by negative feedback she received from others.

"When you tell your friends and relatives about your big decision to adopt, they'll caution you not to get too excited," she says. "They'll say, 'There's a big baby shortage.' They know because they read it in the newspapers, heard it on TV and everyone says so."

ADAMEC'S ADOPTION STRATEGIES

But Adamec debunks the baby shortage theory in her book, which is also peppered with helpful tips.

"Don't call an agency on Mondays," she says. "If you must, at least wait until they've had their morning coffee. An adoption may be just business-as-usual for them, not a terrifying and thrilling adventure as it is for you."

Adoptions are discussed in detail, including independent adoption, the non-agency method Adamec used. "It is lawful in most states, but can be expensive and risky if the birth mother changes her mind," she cautions, adding that private adoptions account for more than half of all infant adoptions.

Refusing to rely solely on her own experience with adoption, Adamec researched her book by interviewing hundreds of adoptive parents, birth mothers, social workers and attorneys. She became convinced that adoption is feasible for those willing to devote the energy needed to succeed.

"The odds are far better than you've been led to believe," she insists.

Adamec urges prospective adoptive parents to educate themselves thoroughly about adoption, and sees ignorance and a lack of research as the primary error made by those who want to adopt.

"Consider it a project, and tell everyone what you are doing—your friends, neighbors, the family doctor, lawyer and pastor," she says.

She also discusses the pros and cons of actually advertising for a birth mother, and explains how it can be accomplished and what to expect.

One outgrowth of Adamec's book is a local support group she formed called Parents Adopting Children Everywhere (PACE), which reaches prospective adoptive parents in her city of Palm Bay, Fla., and other Central Florida cities.

"Without the knowledge and moral support of a parents' group, you're flying blind," says Adamec. "I'm convinced that support groups are a key to success in adoptions."

To find the support group nearest you, Adamec recommends contacting your state's social services adoption unit or writing to the Organization for a United Response (OURS), a national adoptive parents group with chapters in virtually every state (see accompanying sidebar for address).

PACE has been so successful that Patrick AFB, Fla., officials have encouraged Adamec to expand the group into their area. Claire Castellano, coordinator of the base Family Services center, frequently refers families to PACE.

"We're in contact with Chris all the time," says Castellano. "I think her book is long overdue; she answers questions that no one here could answer."

PO1 Elmer Hinkle, of the Naval Training Center in Orlando, and his wife Melanie learned of Adamec's book by word of mouth. After reading it, they contacted her personally.

"I read the book and called PACE," says Melanie, "I learned from Chris that a baby might be available soon, but I was afraid to get my hopes up. We had been listed with one of the state's oldest agencies for five years. I had considered staying behind when my husband transferred out, but the agency said they couldn't guarantee us a baby."

The Hinkles were prepared to start all over again when they relocated, but their call to PACE put them on the right track—they got their baby. They have been fortunate in completing placement prior to their next assignment, and the Navy is allowing Elmer temporary shore duty until the adoption is finalized.

"We would have done things differently had Chris' book been available years ago," says Melanie. "We would have been more assertive with the agency; we'd have told everyone we wanted to adopt."

HELPFUL LEGISLATION

Adamec's interest in adoption did not end with publication of her book. Today she is researching the Encyclopedia of Adoption, a publication of Facts on File, and she has also been appointed to the Florida Adoption Advisory Council. She's very supportive of adoption legislation, particularly of bills introduced by Sen. Gordon Humphrey (R-N.H.).

Humprey was the primary sponsor of the two-year DoD test program for reimbursement of adoption expenses for servicemembers. The program, which ends on Sept. 30, pays up to $2,000 for one child and $5,000 for the adoption of more than one child. Agency and placement fees, legal fees, temporary foster care charges and medical care for the birth mother are covered.

In January, Humphrey introduced into legislation Senate Bill 278 which, if approved by Congress, will make the test program permanent. An adoptive parent himself, Humphrey has been an adoption activist since 1985 when he formed the Congressional Coalition on Adoption in his attempts to remove barriers to adoption.

Humphrey has also introduced legislation mandating similar benefits for federal employees, and an income tax deduction to exclude from an employee's income any adoption expense paid by the employer.

It will be some time before the outcome of Humphrey's efforts are known, but Kathleen O'Beirne, family programs information coordinator for the Office of Family Policy and Support at the Pentagon, says, "Very positive comments are coming in regarding

morale and retention. We will be making a full report to Congress 90 days after the end of the [reimbursement] project."

Parents like Coast Guard LCDR James Mongold, an attorney assigned to Governors Island, N.Y., and his wife Barbara are disappointed that the Coast Guard opted not to participate in the DoD reimbursement program. They are parents of a biological son, 9-year-old Ryan, and two adopted Korean daughters, 2-year-old Rachel and 4-month-old Rebecca.

"It rankles me that the Coast Guard has chosen not to participate in the DoD test program," says James. "The reimbursement is not a primary consideration for families who think of adopting, but Coast Guard families heard about it and some began the process only to learn they were not eligible. DoD described the test program as one for all members of the armed forces."

Herbert Levin, chief of Housing and Family Support Programs for the Coast Guard, says, "It isn't that the Coast Guard would not participate. The legislation, as written, did not give the Coast Guard authority to participate or reimburse under this program. The test program was initiated by and for the DoD. Thirty-eight thousand Coast Guard personnel are in the Department of Transportation, not the DoD. Although they receive the same personnel pay and travel benefits as DoD members, they do not have available to them the same resources or facilities. Our will is good; if this program goes permanent we want to be included."

According to Bill Anthony, press secretary for Senator Humphrey, "The problem has been pointed out to us, and we are in the process of considering what action to take." Possible alternatives may include adjusting the language of the bill to encompass both DoD and DOT.

Still, servicemembers such as Marine Sgt. Nicole Thompson, public affairs NCO at Recruiting Station Cleveland, Ohio, are pleased with the reimbursement. "It is difficult for the average family, regardless of rank, to shell out $5,000 to $6,000, and to get any portion of it back is terriffic," she says. "It makes me feel good that the military recognizes adoptions and adoptive parents."

CUTTING THE RED TAPE

One problem the DoD test program won't solve for military families is that of mobility and disrupted home studies.

Adamec describes a home study as a two-fold process to determine if a family is financially, emotionally and physically secure enough to take in a new child, and also whether or not the family would be happy with an adopted child. The preparation process often requires parenting classes and deals with issues such as how and when to tell your child he's adopted.

When a family moves, these reports can *sometimes* be transferred to a licensed agency in the new home state. But sometimes is the key word. States and agencies differ broadly in their requirements. This poses a serious problem for military families who are trying to adopt.

Navy LT Amy Stevens, an educational training specialist at Naval Communications Command, Washington, D.C., moved nine times in 10 years. It took seven years for her to adopt.

"It's very hard to complete the home study or sell yourself to a social worker if you're going to be pulling out every few years," he says.

But the Marine Corps' Nicole Thompson approached the adoption much the way Adamec advises in her book.

"Knowing how long adoption can take, we signed with 10 agencies, mailed out 1,200 letters to doctors, lawyers, churches and schools," she says.

Thompson and her husband, Bill, were successful. Next month, when they leave for Nicole's new assignment in Albany, Ga., they will be taking their adopted daughter, Danielle (now 20 months) with them.

Army CPT Christopher Essig, a system automation officer at Fort Leavenworth, Kan., and his wife, Doreen, have been coordinating with Heart of America Family Services, an adoption agency in Kansas, in order to update the home study done on them in 1987 during the adoption of their 2-year-old son Matthew. The Essigs are the parents of two adopted children, and they are networking to find another baby.

"The whole adoption process makes me crazy because of bureaucracy and red tape," says Doreen. "We missed out on getting one child because of a transfer from Fort McClellan, Ala., to Fort Myer, Va. We knew we would not be in Virginia long, so we sought foreign adoption and got our son Ryan in 1984."

Joe Kroll, executive director of the North American Council on Adoptable Children (NACAC), a St. Paul, Minn., unbrella group for adoptive parent organizations, says, "At a meeting of state adoption supervisors two years ago, a representative from Wyoming said they had black families who wanted to adopt but no black infants. Cook County, Illinois had plenty of black infants. I've thought all along this kind of information should be collected in a national pool for service families, and a central way provided for transferring home studies when a family moves."

Jane Edwards, executive director of the Spence Chapin adoption agency in New York, doesn't understand why moving is such a problem. Her home studies are transferrable. (Some adoption agencies will allow studies to be transferred while many will not.)

Says Edwards, "Much depends on the determination of the family. Here in New York, we are often able to get adoptions finalized much faster than the six month waiting time." (Finalization varies from state to state.)

Stephanie Johnson, legislative aide to Senator Humphrey, acknowledges the concerns of military families. "There have been discussions about setting up adoption agencies on bases to cater solely to military families, and developing some type of nationalized home study concept to frequent moves," she says. "By October of this year, we will have a statistical base on which to develop any new programs."

In an effort to circumvent long waiting periods, some military families turn to foreign adoption while others adopt minority infants or older children.

"I know there are lots of biracial children in the United States who are thrust into foster homes simply because some agencies won't place them with white parents," says Doreen Essig. "The alternative is foreign adoption, but the cost plus airfare can be more than $10,000." (Foreign adoption costs vary greatly, depending on the country the childs is adopted from and other factors.)

Jeffrey Rosenberg, director of public policy for the National Committee for Adoption in Washington, D.C., says, "Our position is quite simple. A racially matching family would always be the preference. But if you don't have a racially matching family, you place that child in an appropriate non-racially matching family. You don't make kids wait."

Adamec urges that "special needs" children be considered when searching for a child. A special needs child is considered hard to adopt, and includes minority infants and toddlers, children over age 8, sibling groups and other categories.

Adamec says military couples are generally very adaptable and loving people who make great parents. Those who succeed in adopting share one common denominator, she says: "Whether they adopted through a state or private agency, whether they adopt an American or foreign child, they don't crumble when the going gets tough."

PRE-ADOPTION HEALTH COVERAGE

President George Bush, an adoptive grandparent himself, pledged to give adoptive parents a bigger tax break in his budget address delivered to Congress on Feb. 9. And in his 1990 budget book "Building a Better America," in which the president requests $138 million be spent on adoption, he says, "the Administration will work with the states to review all regulations and laws that currently discourage adoption."

This is good news for LCDR James Mongold and his wife, Barbara. They have been calling their congressman and writing letters because adopted children are not covered under CHAMPUS benefits until after the adoption is finalized. Since states have different laws regarding the length of time between placement and finalization, this may place an extraordinary burden on families when major medical care is needed.

The Mongolds' experience with this problem led them to research the regulations regarding the status of adoptees and medical care coverage prior to finalization. "Just before our daughter arrived, we learned that she was not covered by CHAMPUS. We feel that no one should be denied the joys of raising a child because of insurance limitations and cost," says Barbara.

James, a Coast Guard attorney, applauds any measure to eliminate the "ward" status all military services use to classify a child placed in the home prior to finalization.

"It is a distinction that allows pre-adoptees dependent benefits, but prevents them from receiving full medical care," he says. "This puts a family's savings and future at risk until after the adoption is finalized. When a child is placed in the home by a qualified agency or state, then that child should be treated as a dependent. In our case, we put out several thousand dollars to the agency. That should indicate our intention to follow through with the adoption."

Mongold says that a secretarial designee letter is available from each of the services to families who request it in writting. This provides authorization for treatment in military hospitals only. The authorization is only helpful when the family is attached to a military installation with a large medical facility capable of handling major medical procedures. In the Mongolds' case, the nearest medical facility is West Point or Fort Dix, N.J., almost two hours distant.

"We can cover the routine baby care, colds and ear infections. It's the big, unexpected medical emergencies we are concerned about," says Barbara.

The Mongolds solved the problem by taking out a medical policy that covers chil-

dren in the pre-adoptive state through the Uniformed Services Voluntary Insurance Plan (USVIP). They recommend that parents look into this kind of coverage as an interim measure. (USVIP is not underwritten by the government.)—L.T.●

RECENT EVENTS IN CHINA

● Mr. KERRY. Mr. President, the tragedy in China continues to unfold. It now appears that some 300,000 to 400,000 thousand military troops occupy the capital city of Beijing. The army continues to fire randomly at the students. The army has even sprayed tourist hotels and American Embassy housing with gunfire. But as the Chinese Government tries to intimidate its own people, it should keep in mind that the rest of the world is watching. And the Chinese people should know that they have the support of people throughout this country and, indeed, throughout the world. In different cities and towns across this country people are organizing to express their outrage over the actions of the Chinese Government and to express their sympathy for the Chinese people.

Last Sunday, the day after the tanks rolled into Tiananmen Square, I was honored with an invitation to address a rally at the Massachusetts Institute of Technology on events in China. I ask that those remarks be printed in the RECORD.

The remarks follow:

STATEMENT OF SENATOR JOHN KERRY IN SUPPORT OF CHINESE NATIONALS AND STUDENTS

Students from China, Chinese Nationals, friends, supporters, lovers of freedom everywhere, the hearts of all the people in this country, and all freedom loving people across the world, have been struck by the events that have taken place in Tiananmen Square.

For all people who seek freedom, for all people who strive for democracy whatever their understanding of the definition of the term, the events that have taken place in Tiananmen Square will stand among those of the greatest of infamy and shame in the history of the world. The shock of an old government of despots—a decrepit government—resisting change from the people that they purport to represent by turning on them with the so-called People's Army, is one of the most ignominious acts of history.

Thousands of students, thousands of people—not just students, but workers, people from all walks of life—who stood up for change—suddenly gunned down. And behind the troops that did the shooting were troops that were prepared to shoot the troops that were to do the shooting should they not have done so. The United States of America has a solemn obligation in this situation. I heard some say in Washington that it was important that the efforts of seventeen years not be undone by the happenings of the weekend. My friends, these are not the happenings of the weekend. These are the happenings of an epic, the happenings of lifetime and they demand a moral and political response by the leader of the Western world that says we will not tolerate this kind of killing anywhere in the world.

History has proven, and continues to prove, in South Africa's struggle for freedom, in Poland in the struggle of Solidarity, in this country's struggle to fulfill all promises of civil rights, and in the struggles of the Central-Latin America, that there is a central political truth. The river of freedom—the river of thought that comes from those who seek freedom—is a river that sweeps down the mightiest walls of oppression and resistance that stand in front of it. And while they may be able to tear down the symbol of freedom—a makeshift Statue of Liberty in Tiananmen Square—everyone in the world who knows and loves freedom, understands that that statue will rise again in the hearts and souls of millions of people.

So amid these terrible events, we must not despair. Deng Xiaoping opened up China to a new economic era. Gorbachev is trying to open the Soviet Union to a new economic era, but he has understood that with that new economic era comes a new era of political change, a new era by which people in order to enjoy the rights of economic competition have to enjoy the rights of freedom and the exchange of ideas as well as goods. China has not understood that yet, but it is clear that the winds of change will not be stopped by this event.

I share with all of you the hope that someday very soon the Chinese people will be free and that the blood that was shed in that square will not have been shed in vain.

But for now, the suffering continues. I am told that the hospitals are filled to a point that they can take no more: the wounded are lying on every available flat surface. There are people with gaping gunshot wounds, and these are extremely difficult wounds to heal.

This is clearly one of those events that will stand with the Boston Massacre, with Bastille Day, with all those great events in history in which people have said we will continue to strive for freedom.

Emerson talked about the power of the spirit being far more important than the power of material force, and indeed it is. Thought—thought is more powerful.

Bertolt Brecht said a long time ago, and I don't remember exactly how it went, but I paraphrase it—he said something to the effect:

General, your air force is a mighty air force and it can bomb from the skies and devastate whole villages and, general, your tanks are mighty weapons, they can sweep over people and devastate villages, and, general, your army is a mighty army, they can sweep through the countryside and subjugate whole peoples, but, general, it has one defect. Your soldier, he can think, and it is that power of thought that has been unleashed in the spirit of a freedom seeking people.

I am hopeful that as we join hands around the world to express our anger and our sorrow to this loss of life, we will tap a wellspring of hope, and from that hope will flow a river of freedom—strong enough to sweep down the walls of oppression and resistance.

I wish you well. I join with you on behalf of all the citizens of this state in expressing our sorrow. And I know that if we stand squarely with the people of China, they will, in the long run, persevere.

I am going to return to Washington tomorrow and suggest that number one, that no student's visa and no Chinese National's visa that might expire should have an expiration of that visa so they should have to return to this government.

I will propose that we do more than suggest that this was the event of a weekend. We can not do business as usual with a government that behaves this way. And as a starter, we should put a whole on any transaction of military sales or exchanges to this government until or unless it pulls back and deals decently and peacefully.

I believe the President of the United States must join with the United Nations in a universal condemnation of this action, of this act and demand for a redress of this grievance by listening to the people of the country who are asking for nothing more than change and the right to take part in deciding the destiny of their own lives. Thank you all very very much.●

CAPITAL GAINS ON THE TABLE

● Mr. BOSCHWITZ. Mr. President, recent press accounts indicate that the chairman of the House Ways and Means Committee, DAN ROSTENKOWSKI, has agreed it is time to deal with President Bush on reducing the tax rate for capital gains. My colleagues will recall that the President proposed a 15-percent tax rate for capital gains on nondepreciable assets last February in his budget message to Congress. Under current law, the tax rate for capital gains can go as high as 33 percent.

As one who has been a long-time supporter of reduced rates for capital giains—indeed, Senator CRANSTON and I led the fight here in the Senate to preserve the capital gains exclusion when tax reform was being debated—I applaud Mr. ROSTENKOWSKI's new thinking on this issue. I urge him to pursue negotiations with the administration in earnest so that we can wrap up the tax part of the fiscal year 1990 budget and avoid a sequester under the Gramm-Rudman-Hollings budget law.

One of the press accounts I have seen suggested that a capital gains compromise would consist of a 1-year reduction in the top rate for capital gains to 20 percent, coupled with an adjustment for inflation so that investors are not taxed on profits that are illusionary. In another article, Paul Blustein of the Washington Post, suggested that the compromise would center on indexing as the solution to the deadlocked negotiations over a tax bill.

Although I support the President's proposal to reduce the top rate on capital gains to 15 percent, I acknowledge their are political risks. Consequently, pairing a reduction in the marginal rate with indexing strikes the perfect balance. As Mr. Blustein notes in his column entitled "The Coming Capital Gains Compromise: Indexing Taxes to Inflation," Congress will go for indexing because it doesn't offend democratic sensibilities about fair play * * *." I agree.

Mr. President, I believe a compromise on capital gains will be well re-

ceived here in the Senate, not just because of the reason cited by Mr. Blustein, but also because many of us here in this body fervently believe reform is justified. Consider this scenario: a hard-working, middle-income couple operates a small business or farm. They own the property. Finally, after many years of work, they sell their business or farm for a price that by any measure is modest. Inflation on their real estate, coupled with years of depreciation leaves them with a large gain. In that year they are among the rich and they love it. The next year they revert to their earlier middle-income status, having paid an excessive tax on their gain, much of which is artificial.

A reduction in the capital gains rate, coupled with an adjustment for inflation, will benefit not only the rich but also middle-income taxpayers, small business owners and family farmers across the country. In addition, it will help stimulate the economy, encourage job growth and—many of us believe—bring more revenues to the Federal Government.

A capital gains compromise can be a win-win situation for the Federal Government. I am pleased to hear that Congressman ROSTENKOWSKI is willing to negotiate on this issue and I encourage all parties to proceed to take advantage of this new development.

Mr. President, I ask to have printed in the RECORD Mr. Blustein's column.

The column follows:

[From the Washington Post, May 17, 1989]

THE COMING CAPITAL GAINS COMPROMISE: INDEXING TAXES TO INFLATION

(By Paul Blustein)

You read it here first: President Bush and the Democratic Congress will reach a compromise on the issue of capital gains taxation—and that compromise will be a change in the tax code to index capital gains to inflation.

At the moment, Bush and Congress are at an impasse. The president wants to cut the tax rate on gains—profits from the sale of stocks and other assets—roughly in half, to 15 percent, in order to stimulate investment. Congressional Democrats reject Bush's proposal as a bonanza for rich investors.

Here's why indexing will emerge as the compromise solution. First of all, it has the substantive merit of ensuring that people are taxed only on the "real" portion of the gains on their investments—that is, the part not attributable to inflation. At a recent House Ways and Means Committee retreat in Savannah, Ga., all 16 outside economists who were invited—from liberal to conservative—endorsed indexing, according to one panel member who was present.

But approval from the economics profession has never been a sufficient criterion for a proposal to succeed. The main reason to believe that capital-gains indexing will become law is political; it is the ideal middle course for both sides.

Bush will settle for indexing because it probably represents as good a victory as he can hope to get on his campaign promise to cut capital gains taxes, and because indexing would remove a substantial tax penalty on investment. Congress will go for indexing because it doesn't offend Democratic sensibilities about fair play, and capital gains changes could provide a good bargaining chip with which to lure Bush into a broader budget-and-tax compromise.

For now, administration officials say, Bush is sticking by his original proposal. But they strongly hint that indexing would represent an acceptable compromise. "We're aware of the political support for it," said one senior official. "We're aware that it has broad appeal across the ideological spectrum."

Likewise, a senior aide to Ways and Means Chairman Dan Rostenkowski said the Illinois Democrat hasn't backed away from his opposition to Bush's proposed cut in the capital gains tax rate. "Whether [indexing] would be acceptable to the chairman or other members here, I don't know," he said. "But I would view it as a very viable proposal. I think most people would concede that the tax system should be taxing real gains, not inflationary gains."

Tax specialists love indexing because, as one Treasury official puts it, "it's the right way to measure income." Under a system of capital gains indexing, a taxpayer calculating the gain on the sale of an asset upwardly adjusts the price he paid (his "basis") to account for the effects of inflation; such an adjustment will reduce the amount of his gain and hence his tax liability.

Suppose, for example, you sell some stock this year for $3,000 that you bought for $2,000 in 1982. Under the current system, your gain is $1,000, and if you're in the 28 percent bracket, your taxes are that percentage of the gain—$280. But if indexing were in effect, you would adjust your original $2,000 purchase price upward to $2,500, to account for the roughly 25 percent inflation that has occurred during the intervening years. This shows that your "real" gain is $500, and the tax you would pay (again, in the 28 percent bracket) is $140. (Before you start calculating your tax savings, though, keep in mind that if indexing were enacted it would presumably allow adjustment only for future inflation, not for past inflation.)

Liberals consider indexing vastly preferable to a rate cut because, they say, it's fairer, offering less of a windfall to the rich. "There's really a striking difference in the distributional effect [among income classes] of indexation and the distributional effect of a rate change," said Joseph Minarik, chief economist of Congress's Joint Economic Committee. "Indexation is a much more progressive way of dealing with capital gains taxation."

Moreover, noted House Majority Leader Thomas S. Foley, indexing wouldn't encourage the spread of tax shelters to nearly the extent that a cut in capital gains tax rates would. (When capital gains are subject to lower rates than salaries and wages and dividends, tax-shelter operators look for ways to create investments that pay off in terms of capital gains rather than other forms of income.) "I don't want to commit myself in advance," Foley said, "but the indexing approach has some possible appeal."

Conservatives like indexing too. Capital gains taxes should "apply to real gains only, and not to false gains caused by inflation," said Sen. Bill Armstrong (R-Colo.), an influential member of the Senate Finance Committee, when he introduced a bill last March to index capital gains.

Indexing has one big political problem: It would raise no revenue in fiscal 1990, and under the terms of the recent budget agreement with the White House, Congress badly needs ways to raise more than $5 billion in 1990 from various changes in the tax law. In that respect, it is less appealing than a rate cut. (While the long-term revenue effects of a capital gains rate cut are subject to much dispute, economists agree that the immediate revenue impact of a rate cut would be positive because many investors would want to sell assets in order to take quick advantage of the lower rates; this in turn would create billions of dollars in taxable gains.)

Some conservatives would be very unhappy with a compromise that included only indexing and no rate relief for capital gains. "Indexing only takes care of half of the capital gains issue," said Mark Bloomfield, president of the American Council for Capital Formation, an industry-sponsored group. Bloomfield argues that while indexing would protect investors against being taxed on inflation gains, it would offer little extra incentive to the high-rolling investor who is willing to put money into risky projects in hopes of getting a huge payoff.

But other conservatives recognize that there is deep resistence among Democrats on Capitol Hill to a rate cut that would reverse the progressive impact of the 1986 Tax Reform Act. Thus, indexing looks like an attractive half-loaf—at least for now.

Rep. Bill Archer (R-Tex.), ranking minority member of the Ways and Means Committee, says he isn't ready yet to give up on the idea of a rate cut. But indexing he said, "could be the win that the president needs on the capital gains issue for this year."●

GODDESS OF DEMOCRACY AND FREEDOM

● Mr. SASSER. Mr. President, today I rise to draw the attention of my colleagues to the work of a group of Chinese students at Vanderbilt University in my home State of Tennessee. Today these Vanderbilt students will unveil a replica of the "Goddess of Democracy and Freedom," the statue that was built by the student protesters in China and which, within a matter of hours, was destroyed by government troops.

Mr. President, these young people should be applauded for their effort to memorialize the heroic sacrifice made by Chinese students who were brutally slaughtered as they demonstrated for freedom in Tiananmen Square. The reconstruction of the statue reflects the feelings of the people of Tennessee, and indeed of people all across this country. The statue states, in the most powerful terms, that we stand in solidarity with the Chinese students as they battle for freedom and democracy.

Mr. President, we cannot overstate the importance of that kind of forceful statement at this fateful time in history.

Mao Zedong taught that power comes out of the barrel of a gun, and China's hardline leaders are trying to follow in that tradition. But the fact is that the student demonstrators across China are teaching their elders a far more profound lesson: that power comes from the strength of an idea—

and that power comes from the courage of people who are willing to stand up for the freedoms they believe in.

We here in the United States stand firmly on the side of that principle and of the students who are expressing it so courageously. Looking back at our own history, we understand the significance of the students' struggle, and the immense value of what they're struggling for.

President Bush has taken appropriate, measured steps to make clear to the Chinese Government that its acts of brutality are simply unacceptable. Because we have so little information about the Chinese leadership, we as a nation must continue to act prudently so that we don't mistakenly harm those who we are trying to help.

But on an individual level, we must continue to let the students know that they have our total support, and that they must not give up their fight until they have their freedom. The statue constructed by the Vanderbilt students is an outstanding symbol of the indestructible spirit of the Chinese students' struggle.

Mr. President, I believe that the spirit of Chinese democracy will not be crushed under the heel of repression. That is the profound lesson of the recent revival of democratic freedoms in Poland, in the Soviet Union, and in other eastern block states.

We need to do all we can to encourage that great reawakening of the spirit of democracy—in China and throughout the world.●

RICHARD ARMITAGE

● Mr. LUGAR. Mr. President, I want to mention the departure from government service of a good man and an extraordinarily fine public servant, Richard Armitage. Mr. Armitage has worked in the Department of Defense since 1981, first as a Deputy Assistant Secretary of Defense for East Asian and Pacific Affairs, and, since 1983, as Assistant Secretary of Defense for International Security Affairs.

Richard Armitage was instrumental in a range of efforts throughout the world which have left this Nation more secure and made the world more free and democratic. To cite just a few examples, he was a key architect of the successful Persian Gulf operation of recent years; he was instrumental in arranging the transition to democracy in the Philippines in 1986 and the departure of Ferdinand Marcos; he strongly supported President Reagan's efforts to back resistance groups fighting for freedom in Afghanistan, Angola, Cambodia, and Nicaragua. He was a primary player in our successful operations to rescue democracy in Grenada and to respond to Libyan terrorism.

For 8 years, Richard Armitage carried the message of the Defense Department around the world, and his diplomatic skill is reflected in our relations with important partners such as Japan, Israel, Egypt, and the Republic of Korea, not to mention dozens of others.

I know that I speak for this body and for the American people when I say to Richard Armitage, "Thank you for a job well done."●

MEETING WITH ASSOCIATION OF CHINESE STUDENTS AND SCHOLARS AT THE UNIVERSITY OF DELAWARE

● Mr. ROTH. Mr. President, on Monday, June 5, I met with a group of Chinese students attending the University of Delaware in my office in Wilmington. The encounter was, to say the least, a moving one. Thousands of miles away from home, these young people were deeply concerned for the safety and security of the friends and families whom they had left behind, friends and relatives who could, even as we spoke, be subjected to the mindless brutality of the 27th Army on the streets of Beijing.

I felt a great deal of admiration for these young people because, notwithstanding their natural anxieties, their determination to bring a more open political life to their homeland remained firm and unshaken.

The so-called People's Liberation Army—which is clearly the enemy, not the defender, of the Chinese people can do its worst, but the voice which was heard in Tiananmen Square will not be silenced. The Chinese student body has spoken and it clearly has the support of the Chinese people. No group of aged power-brokers will be able to stifle that voice for long, with or without support of the military. Mr. Deng and his colleagues would do well to remember, before they decide to silence the voice of youth, that the ranks of its armies are filled with youth. Discipline will only go so far and if they press much further, they may find themselves the victims, not the masters of their own armed forces.

Mr. President, I am sure that there are many Members of the Congress who would like to take more drastic, immediate actions in support of China's beleaguered student body. However, I commend the President for his measured response. The United States does not boast the capacity to have a dramatic impact upon the course of events in China. Consequently, I believe that, having terminated military sales, this Government would be wise to wait upon events so that, when it acts, it may do so to maximum effect. The people of China deserve our best, and most effective, support.

Mr. President, I ask that a statement issued by the Association of Chinese Students and Scholars at the University of Delaware be printed in the RECORD.

The statement follows:

ASSOCIATION OF CHINESE STUDENTS AND SCHOLARS AT THE UNIVERSITY OF DELAWARE, STATEMENT ON JUNE 5, 1989

In responding to the massive killing of unarmed civilians in Beijing under the order of Deng Xiaoping Li Peng regime, we, all Chinese students and scholars at the University of Delaware, hereby state the following:

1. We strongly condemn the Government for committing the savage atrocity which goes beyond humanity.

2. We appeal to all the people in the United States to help us to condemn the brutal violation of human rights in China.

3. We call upon all friendly nations in the world to call for an emergency meeting in the United Nations to denounce the massacre in China.●

TRIBUTE TO THE USO

● Mr. LEVIN. Mr. President, tomorrow night at the Henry Ford Museum in Dearborn, MI, a special event will be held to launch a 2-year celebration of the USO's 50th anniversary.

Miss Pearl Bailey will be honored for her generous and selfless contributions to the USO over the years. An all-star cast of jazz performers will entertain, and the USO will begin officially a much-deserved 2-year golden anniversary celebration.

The USO began in early 1941 when six civilian charities—the YMCA, YWCA, National Catholic Community Services, National Jewish Welfare Board, Salvation Army, and National Travelers Aid Association—banded together under Presidential decree to form the United Service Organizations. The USO is a private, nonprofit, independent group that was chartered by Congress on February 4, 1941, and recognized by the Department of Defense as an important partner in meeting the human needs of its service personnel.

The USO is a multifaceted service organization dedicated to enhancing the quality of life and improving the morale of American military personnel and dependents worldwide in a variety of ways. At over 160 locations at home and abroad, the USO serves the human needs of American military families and individuals. As the times and demands have changed over the last half century, the USO has adapted. In addition to the well-known and much-loved entertainment shows at military bases throughout the world, the USO today succeeds in meeting needs through its various programs in family assistance, intercultural understanding, commuity outreach, information, and referral.

The USO receives no government funds. It is supported by voluntary contributions, the United Way, the Combined Federal Campaign, and corporate contributions.

Mr. President, I doubt that there is an American serviceman or servicewoman or an American veteran since World War II who has not had his or her life touched by the USO.

The USO was there when it was needed, and is still there today. It is sometimes too easy to take for granted those individuals and groups that are always there when needed, always dependable, always helping. It is appropriate and important that we note, and pay tribute to, those many selfless volunteers who have given of themselves, both at home and abroad, to make the lives of our service personnel a little easier. Those volunteers and professional workers of the USO continue that tradition of assuring that in every far corner of the world, American military personnel find a little bit of home.

Mr. President, the USO is a living tribute to the spirit and power of American voluntarism. As the USO begins the celebration of its 50th anniversary, I want to take this time to pay respect and much-deserved honor to the continued dedication of its supporters, volunteers, and staff.●

PRESIDENT BUSH ON THE ENVIRONMENT

● Mr. CHAFEE. Mr. President, on Thursday, June 8, President Bush appeared before an audience of Ducks Unlimited supporters and delivered his first major environmental speech since becoming President. It was an excellent speech that revealed the sincere, heartfelt commitment our President feels for the environment and conservation issues. I urge all of our colleagues to review the text of the speech and to assist them in that task I ask that it be printed in the RECORD following my remarks.

I want to thank President Bush for his personal attention to these important matters and look forward to working with him in the years ahead.

[The speech follows:]

REMARKS BY THE PRESIDENT TO THE DUCKS UNLIMITED SIXTH INTERNATIONAL WATERFOWL SYMPOSIUM

Thank you, Harry, very, very much, and all of you for that warm welcome. Every member of Ducks Unlimited can eat his heart out—or hers—and I say that because you should be very jealous of me. You ought to see the beautiful carvings that you all gave to me carved by Bill Veesy—two ducks—one of the most spectacular pieces of duck artwork that I believe I've ever seen. And so, I'm grateful to all of you for that presentation that Harry made.

I want to salute the members of Congress that are here. I want to pay my respects to the head of the EPA, Bill Reilly. We are very fortunate to have him leading our Environmental Protection Agency. I want to pay my respects to our Secretary, Manuel Lujan, who is going to do a fantastic job for us. I served with him in the Congress and he rates and merits your confidence.

Mike Deland was supposed to be here, and he, showing the fact that he's human, he is caught up at the airport in Washington right now—[laughter]—so I expect we'll see him in a while. But most of you know him. And I would simply say that the members of Congress and friends, it's a real pleasure to be here.

One of my greatest pleasures is going fishing with my grandchildren, and seeing the Grand Tetons through the eyes of a 10-year-old grandson or teaching our six-year-old twin granddaughters—now Texans again—the wonders of the ocean, makes life really sing for me. And when I am out in the great outdoors with my own kids or grandkids, I realize how true it is that our children will inherit the Earth. And so any vision of a kinder, gentler America—any nation concerned about its quality of life, now and forever, must be concerned about conservation. It will not be enough to merely halt the damage we've done. Our natural hereitage must be recovered and restored.

And we saw it at Mount St. Helens, and we see it now at Yellowstone Park, and in the growth of spring—nature healing its wounds, coming back to life. We can and should be nature's advocate. And that means an active stewardship of the natural world. And it's time to renew the environmental ethic in America—and to renew U.S. leadership on environmental issues around the world. Renewal is the way of nature, and it must now become the way of man.

And that's why I so readily accepted when Harry invited me and that's why I wanted to talk to you today. When this organization was founded over fifty years ago, in the Dust Bowl days, there was just a handful of you committed to preserving and restoring our wetlands. And just about that time, a few hunters got together and formed a little group called Ducks Unlimited. And thank goodness they did.

And since then, you've set aside, I am told, over five million acres as habitat, raised nearly half a billion dollars, started wetlands projects in each of the fifty states, for a simple reason—75 percent of the remaining wetlands in the continental U.S. are privately owned. We can't do it without your help.

The partnerships you've set up with state and federal agencies—and with conservation groups like the Nature Conservancy and the National Wildlife Foundation—have been outstanding.

And that's good news for ducks. Remember, though, what Dick Darman said about taxes. Anything that looks like a duck or walks like a duck or quacks like a duck is going to hear from him. [Laughter.] The poor guy—the very thought of Ducks Unlimited keeps him up at night. [Laughter and applause.] But your work is even better news for America. For what you're doing represents just the kind of local, on-site, private sector initiative that we must bring to every environmental challenge.

As you know too well, our wetlands are being lost at a rate of nearly half a million acres a year. So every year, fewer mallards and pintails make it to the pothole country. You may remember my pledge, that our national goal would be no net loss of wetlands. And together, we are going to deliver on the promise of renewal, and I plan to keep that pledge. [Applause.]

I've set up an interagency task force, under our Domestic Policy Council, to work with you—with governments at all levels—with the private sector—to stop the destruction of those precious habitats. Their first task is to develop a united federal policy for the North American Waterfowl Management Plan here and in Canada as well. And Canada has lost over 40 percent of her wetlands. And the time has come to simply say stop.

And to support the Plan, this week Secretary Lujan proposed a new trust fund—using interest from the Pittman-Robertson Fund—that would contribute about $10 million. And our goal is to restore a fall flight of more than 100 million birds. And we're looking at legislation from Senators Mitchell and Chafee, Congressmen Dingell and Conte. And there are a few details to be worked out, but the basic thrust of the legislation is sound. I look forward to signing a bill to conserve North American wetlands this year.

And we've asked for nearly $200 million in new funding for acquisitions under the Land and Water Conservation Fund. We've also increased funding for coordinated water quality programs, to protect the wetlands we already have, and, for the first time in seven years, some of those dollars will go towards acquiring wetlands.

But we're looking far beyond the federal role. We want to improve the management of federally-owned wetlands by leasing them to concerned groups like yours. And, you know, the local momentum is picking up. Just last month, Maryland's Governor Schaefer approved the nation's first state non-tidal wetlands law. And it's an outstanding piece of work. Bill Reilly emerged as a key supporter for that bill—and I certainly would encourage him to do more, but in his case, he's the one that's encouraging me to do more all the time. And, again, I'm grateful for his leadership.

We're working with American farmers through the Farm Bill program to provide technical assistance for wetland conservation. Wherever wetlands must give way to farming or development, they will be replaced or expanded elsewhere. It's time to stand the history of wetlands destruction on its head. From this year forward, anyone who tries to drain the swamp is going to be up to his ears in alligators. [Laughter and applause.]

Let me just spend a few minutes outlining our environmental philosophy. Our approach to wetlands conservation is driven by a new kind of environmentalism—a set of principles that apply to all of the environmental challenges that we face. We believe that pollution is not the inevitable by-product of progress. So the first principle is that sound ecology and a strong economy can coexist. But let's remember—the burden of proof is on man, not nature.

And the fact is, our ecology and the economy are interdependent. Environmentalists and entrepreneurs must see how much their interests are held in common. It's time to harness the power of the marketplace in the service of the environment.

The second principle is that a true commitment to restoring the nation's environment requires more than just a federal commitment. The tradition of purely federal, "top-down" directives will never again be enough. So we're working to promote more creative state and local initiatives, drawing on the energy of local communities and the private sector into the cause—pulling them into the cause of conservation. All of you in this room have made that commitment—and now, it must be made an all-American commitment.

And our third principle is obvious, but too rarely acted on—the preventing—that preventing pollution is a far more efficient

strategy than struggling to deal with problems once they've occurred. For too long, we've focused on clean-up and penalties after the damage is done. It's time to reorient ourselves using technologies and processes that reduce or prevent pollution—to stop it before it starts. In the 1990s, pollution prevent will go right to the source.

Technology has given us tremendous, awesome power to alter the face of the earth. We must use it to do good. Environmental soundness, industrial design must be partners. Industry is making—and must continue to make—environmental soundness an essential fact of American industrial life.

We've already taken several steps in that direction. And as you know, I've called for the elimination of CFCs by the year 2000. And we've also reviewed the Corporate Average Fuel Economy—those CAFE standards. We've tightened the standard, as the law originally intended. More efficient cars are good for our environment, and good for our energy security. We're going to promote the use of alternative, "neat" fuel technolgy. And I've proposed full funding to develop clean coal technology.

The fourth principle is a recognition that environmental problems respect no borders. I'm delighted to see the Ambassador from Canada here. So we're working with nations around the world, to provide leadership in finding cooperative, international solutions. From Japan to Brazil, we're discussing ways to reverse rainforest devastation. And we've recommended a ban on international shipment of hazardous waste, unless an agreement is signed that makes sure waste is disposed of safely.

In Germany two weeks ago, I announced our intention to provide technical assistance and new technologies to the nations of Eastern Europe, to help them handle pollution problems. And some of the rivers in those countries, are now so polluted, they can't even be used for industrial cooling—because they're too corrosive. And even our recommendation to ban the importation of elephant ivory underscores this new international emphasis.

The fifth and final principle is that existing environmental laws will be vigorously and firmly enforced. And I've requested funds to hire more environmental prosecutors at the Justice Department. And next week, Bill Reilly will deliver to Congress a report on overhauling the Superfund Program for hazardous waste. Our message about environmental law is simple—polluters will pay.

And finally, on Monday, I will unveil the most sweeping changes to the Clean Air Act since it was last amended 12 years ago. And it will allow us to recover and restore precious forests, lakes, and streams. And whether Americans live near factories, or in cities, or in high woodland country, it'll significantly improve every North American's quality of life.

So those are our five principles. Harnessing the power of the marketplace, state and local initiative, promoting prevention, international cooperation, and strict enforcement.

But behind all of the studies, the figures, and the debates, the environment is a moral issue. For it is wrong to pass on to future generations a world tainted by present thoughtlessness. It is unjust to allow the natural splendor bestowed to us to be compromised. It is imperative that we preserve the Earth and all its blessings—to meet the challenge of renewal.

Some 40 years ago, a man named Aldo Leopold wrote a book that some of you may have heard of. It was called "A Sand County Almanac." And in it, he talked about values—values that you and I share. "That land is to be loved and respected," Leopold wrote. Let me start—"That land is to be loved and respected—is an extension of ethics." That was 40 years ago. And since then, millions of acres of wetlands, habitat for so many plants and animals, have disappeared. And they continue to vanish at an alarming rate—some one-half million acres a year.

And I want to ask you today what the generations to follow will say of us 40 years from now. It could be they'll report the loss of many million acres more, the extinction of species, the disappearance of wilderness and wildlife.

Or they could report something else. They could report that, sometime around 1989, things began to change, and that we began to hold on to our parks and refuges. And that we protected our species. And that, in that year, the seeds of a new policy about our valuable wetlands were sown—a policy summed up in three simple words: "No net loss." And I prefer the second vision of America's environmental future.

A man I greatly admire, Theodore Roosevelt, was the first President to act on that ideal. And when he set aside the Grand Canyon as a national monument of nature, his words of warning were driven by great personal conviction. "Leave it as it is," he said. "You cannot improve on it. The ages have been at work on it, and man can only mar it. What you can do is to keep it—for your children, and your children's children."

Recovery, restoration, and renewal—that is our moral imperative. And from today forward, it is the ethical legacy we must inspire in every American.

To one of the great private sector organizations in America—I thank you. God bless you. And God bless the United States of America. Thank you very, very much. [Applause.]●

DENVER POLICE OFFICER DELBERT BLACK RETIRES

● Mr. ARMSTRONG. Mr. President, I rise today to bring to the attention of my colleagues the retirement of Denver Police Officer Delbert Black. I would like to take just a few minutes to acquaint you with the accomplishments of Technician Black.

During his 30 years as a police officer, he has become one of the most respected members of the Denver community. He has had a dramatic influence on literally thousands of people, both young and old.

For the past 19 years Technician Black has been serving in the community resource division, which he was instrumental in creating. He has helped to organize Neighborhood Watch programs, which reduced crime and improved the relationship with the community and the police department. He has also had a significant influence on young people by speaking at neighborhood schools about crime prevention and safety. Many of the programs Technician Black started were adapted both statewide and nationally.

Technician Black's outstanding qualities are reflected by his strong feelings for his family. He and his wife Betty have been married for 40 years. They have four children and eight grandchildren. He has a proud family.

Colleagues have called Technician Black a model officer, and Captain O'Neill of the district 4 police station said, "I wish I had a whole station full of men like Delbert Black."

Upon the retirement of Delbert Black I would like to ask my colleagues in joining me in congratulating Technician Black and thanking him for 30 years of dedicated service to the city of Denver above and beyond the call of duty.●

HUMAN RIGHTS IN EAST TIMOR

● Mr. DURENBERGER. Mr. President, tomorrow, Indonesia's President Suharto will meet with President Bush here in Washington. Indonesia is a nation which shares our interest in regional security and economic development in Southeast Asia. President Suharto has helped shape the Association of Southeast Asian nations into one of the most effective regional organizations. Most recently, Indonesia played a vital role in bringing together the major parties in the Cambodian conflict. Despite such positive achievements, however, there are some troubling issues. Tomorrow's meeting will also be an excellent opportunity for the Bush administration to raise, at the highest level, the issue of the situation in the former Portuguese colony of East Timor, which was occupied and annexed by Indonesia in 1975.

Last October, I led a group of 47 of our Senate colleagues in sending a letter, co-authored by Senator LEVIN, to then-Secretary of States Shultz, which outlined our concerns about human rights violations, the restrictions on international observation groups and armed conflict in East Timor. On that occasion, as on previous occasions, we noted that many thousands of people—perhaps 150,000, or more than one-fifth of the original population—have perished in East Timor since 1975, and that steps should be taken to ensure that further human suffering is averted.

Since I sent that letter, reports that human rights violations are being carried out in East Timor by the Indonesian military have come to light. An account of the current conditions was reported in the New York Times earlier this year. Msgr. Carlos Belo, the Roman Catholic Bishop of East Timor was quoted as saying recent reports of improvement in the human rights situation in East Timor were false. The article noted that Bishop Belo's observations were "his strongest statement against the Indonesian authorities since he was appointed head of the

church in East Timor in 1983 * * * [in which Belo accused the authorities of barbarism]." Bishop Belo said interrogations "accompanied by blows, kickings and beatings" were "the norm in East Timor." Subsequent communications by Bishop Belo speak of killings, arbitrary arrests, and abuse of women by Indonesian soldiers. Monsignor Belo laid out specific concerns about the human rights situation in a letter to the Indonesian Papal Nuncio on February 16, 1989.

On February 6, 1989, Monsignor Belo sent a letter to U.N. Secretary General Perez de Cueller, asking for the United Nation's assistance in securing self-determination for East Timor. Belo called for a United Nation's sponsored plebiscite as a first step in the decolonization of East Timor.

When recently asked about Monsignor Belo's letter by Indonesian journalists, the Indonesian Minister for Politics and Security Affairs, Admiral Sudomo, said that if such a letter existed, "we have to question how much patriotism the bishop has" and "it is incorrect to report something to a foreigner." Such remarks, coming from a top-ranking security official, at least imply a threat to Monsignor Belo. And given the history of the Timor situation—the annexation by Indonesia, brutal human rights violations and the large scale loss of life—some observers would wonder whether or not Bishop Belo is obligated to agree to the standard of patriotism set by Indonesian security officials. Nonetheless, to request a free and fair election is no crime and this should not be met with threats, implicit or explicit.

I firmly believe that the United States should support the continuation and expansion of the small international humanitarian presence in East Timor, so that the people of the island may receive the greatest amount of international observation and relief possible. I also advocate the reduction of restrictions on movement in and out of the territory, and respect for human rights. Finally, Monsignor Belo's request for a democratic solution to the tragic situation in East Timor cannot be ignored.

On January 1, 1989, President Suharto declared East Timor an open territory. The Indonesian administrator of the island, Governor Carrascalao, has also voiced his support for increased international access to East Timor. The Indonesian Government has made the right choice—now these promises need to be followed up with deeds allowing unrestricted access to humanitarian and human rights organizations.

No one doubts President Bush's commitment to world human rights. I am confident that he will express our shared concern about the conditions in East Timor to President Suharto.

Mr. President, I ask that the aforementioned article from the New York Times, our October 1988 letter to then Secretary of State Shultz and two letters from Bishop Belo be printed in the RECORD.

[From the New York Times, Jan. 22, 1989]

BISHOP SAYS INDONESIA TORTURES IN EAST TIMOR

LISBON, January 21.—The Roman Catholic Bishop of East Timor, saying claims that human rights abuses had ended were "lying propaganda," has accused the Indonesian Government of continuing to practice torture in the region.

In his strongest statement against the Indonesian authorities since he was appointed head of the church in East Timor in 1983, the Bishop, Msgr. Carlos Filipe Belo, accused the authorities in Jakarta of barbarism.

East Timor, a former Portuguese colony, was invaded by Indonesia in 1975. The United Nations still recognizes Portuguese administration, but the United States recognizes Indonesian sovereignty.

The invasion produced accusations of widespread brutality. Human rights organizations, including Amnesty International and the Catholic Institute of International Relations, have said in the years since that as many as 200,000 of the 650,000 people may have died as a direct result of the invasion and the suppression of armed resistance, which has continued intermittently.

Monsignor Belo's statement followed a roundup of East Timorese when President Suharto of Indonesia visited the region in November. Jakarta-based journalists reported that about 3,000 East Timorese had been arrested.

Monsignor Belo said that arrests had been made in Dill, the capital, and the towns of Baucau, Lospalos and Viqueque, and that although most people had been freed, some were still detained.

East Timorese exiles in Portugal said seven or eight were still in prison.

In his statement, which he ordered to be read in churches throughout East Timor, the Bishop said criminal interrogations "accompanied by blows, kickings and beatings" were "the norm in Timor."

"We disagree with this barbaric system and condemn the lying propaganda according to which abuses of human rights do not exist in East Timor," the statement said.

The document was dated Dec. 5 but only now reached Lisbon, having been carried out of the territory by church officials. Exiles and human rights organizations say postal services and telephone communications have been censored since 1975.

Monsignor Belo has been criticized by the East Timorese liberation movement, known by its Portuguese acronym, Fretilin, and by young, radical Catholics, who regard him as pro-Indonesian, largely because of the circumstances of his appointment. He replaced the popular Martinho Lopes da Costa, who was forced to retire in 1983 after Indonesia complained to the Vatican of his nationalistic sermons.

U.S. SENATE,
Washington, DC, October 28, 1988.

Hon. GEORGE SHULTZ,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: For a number of years members of the United States Senate have been concerned about the conditions in the former Portuguese colony of East Timor, which was invaded and forcibly annexed by Indonesia in 1975. We are aware of the fact that you have raised human rights issues in East Timor with Indonesian officials over the past six years. We applaud your willingness to address these concerns with one of our most valuable friends in Southeast Asia.

We are aware that certain improvements have taken place in East Timor in recent years. However, there is little doubt that armed conflict continues in the territory. Partly because of this armed conflict and the tight control exercised by the Indonesian armed forces over the civilian population, agricultural activity is impeded, resulting in shortages of food in some areas of East Timor. The memory of the disastrous war-induced famine which killed thousands of Timorese in 1978-80 makes us particularly concerned about the current situation. We believe the continuing military conflict in the territory and any renewed shortages of food and medical supplies warrant the careful attention of the United States.

We wish to insure that conditions do not deteriorate as a result of international inattention or increased levels of Indonesian military action. Therefore, international humanitarian organizations should be allowed to maintain and, where necessary, expand their operations to help provide relief and protection to the civilian population throughout East Timor. Such relief and protection should be permitted to extend to any Timorese political detainees still being held within East Timor or elsewhere.

Recent reports about the human rights situation in East Timor are also of great concern to us. The transfer of political prisoners to Jakarta makes family visitation nearly impossible, while released detainees are reportedly unable to return to their place of origin in East Timor. We are informed that torture during interrogation of Timorese continues, especially in outlying areas. Freedom of expression for citizens of East Timor, including most Roman Catholic clergy, continues to be virtually non-existent. Monitoring human rights conditions in East Timor is difficult because human rights organizations have been denied access. We strongly believe that regular visits to East Timor by respected human rights organizations would help shed light on conditions inside East Timor, and make the Indonesian government more accountable for its administration of the territory.

In the past some of us have called for a peaceful resolution of the East Timor conflict that recognizes the interests of all parties. In recent months, there have been signs in various parts of the world that seemingly intractable conflicts need not remain so indefinitely. We believe that the United States could help bring the parties involved in the East Timor conflict to the negotiating table to begin a process that could end this 13-year tragedy. We hope that the United States, whether directly or indirectly, will agree to play such a role in the interests of peace and stability in that part of the world.

We fully recognize the difficulty of securing a peaceful and equitable settlement in East Timor. We remain aware of the value of the friendly relationship between the governments of Indonesia and the United States based on sound strategic and political considerations. But it is our belief that this relationship can only be strengthened by Indonesia's pursuit of a just and lasting solution to the East Timor tragedy. A significant step in that direction could be accom-

plished by actions addressing the human rights issues raised in this letter.

Thank you for your consideration of our concerns.

Sincerely,

Carl M. Levin, Edward M. Kennedy, Dave Durenberger, Rudy Boschwitz, Claiborne Pell, Daniel P. Moynihan, Alan J. Dixon, Tom Harkin, Bill Bradley, Spark M. Matsunaga, John Kerry, Dennis DeConcini, Richard G. Lugar, Mark O. Hatfield, Charles E. Grassley, Robert T. Stafford, John Heinz, Alfonse D'Amato, George J. Mitchell, Thomas Daschle, Howard M. Metzenbaum, Paul S. Sarbanes, Christopher J. Dodd, Timothy E. Wirth, Alan Cranston, Bob Graham, Kent Conrad, Patrick J. Leahy, John H. Chafee, Quentin N. Burdick, Barbara Mikulski, William Proxmire, Brock Adams, Dale Bumpers, Don Riegle, John D. Rockefeller, Frank H. Murkowski, Frank R. Lautenberg, Pete Wilson, Joseph R. Biden, Jr., David Pryor, Terry Sanford, Nancy Kassebaum, Arlen Specter, Lowell P. Weicker, Jr., Paul Simon, Albert Gore, Jr.

DILI, *February 6, 1989.*

His Excellency SR. DR. JAVIER PÉREZ DE CUELLAR,
Secretary General of the United Nations,
New York, USA.

YOUR EXCELLENCY: First allow me to give you my sincere and respectful greetings.

I am taking the liberty of writing to your Excellency to draw to your attention the fact that the process of decolonisation of Portuguese Timor has still not been resolved by the United Nations, and it is important that this should not be forgotten. For our part, we, the people of Timor, think that we must be consulted on the future of our land. That is why I am writing, as a leader of the Catholic Church, and as a citizen of Timor, to ask you, as Secretary General, to start in Timor the most normal and democratic process of decolonisation, i.e. the holding of a referendum. The people of Timor must be allowed to express their views on their future through a plebiscite. Hitherto the people have not been consulted. Others speak in the name of the people. Indonesia says that the people of Timor Timur (East Timor: trans) have already chosen integration, but the people of Timor themselves have never said this. Portugal wants to let time solve the problem. And we continue to die as a people and a nation.

You are a democrat and a friend of human rights. Therefore let your excellency demonstrate with facts your respect for the spirit and letter of the United Nations charter, which grants to all the peoples of this planet the right to choose their own destiny, freely, consciously and responsibly. Your excellency, there is no more democratic means of ascertaining the supreme desire of the Timorese people than the holding of a referendum promoted by the United Nations for the people of Timor.

Sr. Pérez de Cuellar, I thank you for all your sympathy with the people of Timor and conclude by expressing once again my best wishes.

With admiration and respect, I remain

DOM CARLOS FILIPE XIMENES BELO
SDB,
Titular Bishop of Lorium,
Apostolic Administrator of Dili.

DILI, *February 16, 1989.*

His Excellency The APOSTOLIC NUNCIO,
Apostolic Nunciature,
Jakarta.

EXCELLENCY: My sincere and respectful greetings.

I am responding to your letter of February 1, 1989, No. 2264/89 in which you ask me for an exhaustive report on the Yayasan Santo Antonio. I should mention that in my pastoral letter (or note) of December 5 I have already explained this Yayasan a bit. In the first place, the so-called Yayasan Santo Antonio is not a real Yayasan, because in order to be a Yayasan (according to its meaning in Bahasa) it would have to have a recognized organizational structure with a managing board (BaDAN Pengurua) and it would have to have statutes (Anggara dasar) that were approved by a court. In this case this (yayasan) is a secret organization and its activities are secret. Its founder is a man called Anantas do Carmo, born in Oe-Cussi, a teacher in the catholic school in Balide-Dili. According to what he says, he disappeared when he was 7 years of age and that he reappeared when he was 9 years old. From that time on he does not suffer any illnesses or ever gets hurt. His body has a special power and is not susceptible to be penetrated by bullets. He began to gather sympathizers among the "guru," the "pelajar" and some "pogawai" to defend the Catholic religion against Islam and Protestantism. That is why he has a special devotion to Santo Antonio, they say the third part of the rosary in the oratories and light candles and they pray to obtain cures for sick people. As a sign of recognition among the members, they mark their skin, either the palm of the hand or the arm, with a tatoo in the form of a crucifix. This practice has spread throughout the schools from Dili to Lospalos. This organization began its activities in 1984.

At the same time another organization emerged called the "SECRET PARTY" which has more of a political contents and which gathered Timorese who are discontent with the present situation (Indonesian occupation). Among the leaders Afonso Pinto stands out who is also known by the name of LAPAIK. Some members were Timorese military men, policemen, civil servants and students. The goal of this organization, according to the words of Lapaik himself, is to fight "corruption". This organization was discovered at the end of 1987 and in 1988 Lafaik was sent to Viqueque to fight the guerrillas of the Frente. More or less in 1988 these two organizations merged and had as their goal to kill President Suharto when he would come to visit East Timor. Because of a misunderstanding among the members in Wutalari and because of some (contentious) questions, there were mutual denunciations and the organization was discovered by the military. A wave of imprisonments and interrogatories followed (men, women and students). There were abuses against women and girls. There were beatings and kicking of men. These scenes provoked a reaction among the people and that is why the Church took a position in the PASTORAL NOTE of December 5, 1988. At this moment the situation has calmed down. Some of the leaders continue to be in prison. Will they be put before a court? I do not know.

We still do not know if the Yayasan was founded only by Timorese or if there are occult forces behind it. The worst of it all was that all this carnival of imprisonments and interrogatories was carried out by some officers who wanted to receive awards from Suharto!

I.—The fact that Indonesia invaded and occupied East Timor militarily, not even allowing the Timorese people to express their feelings, is in itself already a violation of human rights against the Charter of the United Nations.

II.—It is forbidden to talk about politics, it is forbidden to form associations, to hold meetings and to circulate at night. These are the facts of every day life. It is forbidden to talk about independence, about autonomy and to talk about a referendum. Everybody is forced to talk about PANCASILA and PEMBAGUNAN. Regarding religion, there is no right to be non-religious, atheist or animist. Everybody has to choose a religion. Points I and II are a lot more grave than the ordinary abuses such as:

III. In Dili-Laclutar members of battalion 726 killed

1. Carlos Mendes da Silva, 22 years old, assassinated on October 31, 1988 with 18 bullets in his body;

2. Luis da Cruz, 20 years old, with 18 bullets in his body; they were killed in public in front of 15 people (I do have the names).

Civilians who were beaten:

1. Araujo Fernandes-Desa Ahio-Dilo
2. Agostinho Lo'o-Desa Ahio-Dilo
3. Francisco Parada Martins-Desa Ahio-Dilo
4. Luis Ximenes-Desa Ahio-Dilo
5. Loi 'Ouela-ficoi (his head was split open)
6. Alarico Martins-Desa Ahio
7. Moises Ximenes-Desa Ahio

On November 5, 1988 the commander of the sector ordered Mr. Afonso Lafaik to tell the people that assassinations were carried out by Fretilin. On November 7 the commander of the sector and the authorities in Viqueque made a statement to the population in Lacluta saying that the acts committed were acts of Fretilin. (A PUBLIC LIE OF THE AUTHORITIES, SOME OF WHICH ARE CATHOLIC, APOSTOLIC AND ROMAN).

IV. There were more killings by the military in Ossu (4 people), Laclutas (5 people), Viqueque (2 people), Gariwai-Baucau (2 people) Luro (1 person). It would be a long-drawn-out story of assassinations in the name of Keamanan.

V. There are threats and psychological pressure on the civil servants in order to avoid that they publicise the various assassinations, if they do not obey they lose their jobs, the NIP and will be killed themselves. After all, we have lived in this since 1976 . . .

Since 1983, year in which I was nominated to be the Apostolic Administrator, we have every year always seen these same abuses. We already have talked and continue to talk with the authorities, but the result is always the same. It is the people who suffer. That is why it is urgent to CARRY OUT A REFERENDUM in order to ask the people of Eash Timor if they accept integration.

In Timor we live under the psychological pressure of the Dictatorship. A last piece of news: The military are already training and paying former prisoners of the Yayasan Santo Antonio to have them spy on the priests in the parishes. With all this one can ask: Since when do violations of human rights not exist in East Timor?

With sentiments of consideration and admiration.

CARLOS FILIPE XIMENES BELO, SDB,
Titular Bishop of Lorium,
Apostolic Administrator of Dili.●

HYDROELECTRIC FAIRNESS ACT OF 1989, S. 635

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of S. 635, the Hydroelectric Fairness Act of 1989. This legislation rectifies an unjustice against the more than 300 hydrolectric projects built before 1935 that are at risk from claim jumping. In my State alone, there are potentially two dozen projects at risk.

The Federal Power Act of 1935, modified the hyroelectric licensing system by requiring that only Hydroelectric projects built after 1935 need obtain a license. Projects built before 1935 and located along nonnavigable rivers were grandfathered from Federal jurisdiction and the need to obtain a license as long as no new construction took place on the project.

I have heard from various project owners in my State who now find themselves in danger of losing ownership to third parties who have filed for licenses under the pretext of new construction. In many cases, this new construction is a small addition to the project such as increasing the height of a dam. If licenses were granted to these third parties, original project owners would lose their ownership of the facility. To a utility like Orange & Rockland, which serves thousands of residential and commercial customers in the New York area, losing ownership of one of their hydroelectric projects to a claim jumper would cost them $50 million over a 10-year period to buy back their property from the claim jumper. This scenerio does not bode well for Orange & Rockland's customers who would foot the bill in the form of higher electric rates. It was certainly not the intent of Congress to allow this kind of claim jumping to occur.

Enactment of this legislation would prohibit the issuance of licenses to pre-1935 projects other than to the owners of the projects. This bill is urgently needed to project the hundreds of projects at risk from claim jumpers and would additionally protect ratepayers from higher electric rates by insuring that ownership is not passed along to third parties. I urge Members, whether or not they have affected projects in their States, to cosponsor this legislation.●

(NOTE.—The following orders were entered earlier and appear at this point in the RECORD by unanimous consent:)

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, for the information of Senators I am about to propound a unanimous-consent request which will detail the handling of this legislation on tomorrow, Monday, and Tuesday, and if the unanimous-consent request is agreed to there will be no further votes this evening or tomorrow, Friday, or on Monday. Under this agreement the next rollcall vote will occur on next Tuesday afternoon.

ORDERS FOR FRIDAY

RECESS UNTIL 11 A.M.

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m. on Friday, June 9.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I further ask unanimous consent that following the time for the two leaders there be a period for morning business not to extend beyond 11:30 a.m. with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUME CONSIDERATION OF H.R. 1722

Mr. MITCHELL. Mr. President, I ask unanimous consent that at 11:30 a.m. tomorrow, Friday, June 9, the Senate resume consideration of H.R. 1722, the natural gas deregulation bill, and that the Senator from Idaho [Mr. MCCLURE], be recognized for the purpose of filing a cloture motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY

RECESS UPON COMPLETION OF BUSINESS ON FRIDAY, JUNE 9, 1989 TO MONDAY, JUNE 12, 1989

Mr. MITCHELL. Mr. President, I further ask unanimous consent that when the Senate completes its business on Friday, June 9, it stand in recess until 12 noon on Monday June 12.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRO FORMA SESSION

Mr. MITCHELL. Mr. President, I ask further unanimous consent that on Monday the Senate meet in pro forma session only and that no business be conducted on that day.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY

RECESS UNTIL 11:30 A.M.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I further ask unanimous consent that when the Senate recesses on Monday, it stand in recess until 11:30 a.m. on Tuesday, June 13, and that on that day, following the time for the two leaders, there be a period for morning business not to extend beyond 12:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FROM 12:30 P.M. UNTIL 2:15 P.M. RESUME CONSIDERATION OF H.R. 1722

Mr. MITCHELL. Mr. President, at 12:30 p.m., I ask unanimous consent that the Senate stand in recess until 2:15 p.m. and that at 2:15 p.m. there be 30 minutes equally divided between Senators JOHNSTON and METZENBAUM, at the end of which the cloture, vote, on which a motion will be filed by Senator MCCLURE tomorrow, take place with the live quorum required under rule XXII having been waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEES TO REPORT EXECUTIVE AND LEGISLATIVE CALENDAR BUSINESS AND AUTHORITY FOR AMENDMENTS TO BE FILED

Mr. MITCHELL. Mr. President, I further ask unanimous consent that committees have permission to report executive and legislative calendar business on Monday between the hours of 12 noon and 3 p.m., and I further ask unanimous consent that amendments may be filed on Monday, June 12 until 1 p.m. in accordance with the provisions of rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, there will be no further rollcall votes this evening.

Tomorrow the Senate will be in session with a brief period for morning business and for the filing of a cloture motion by Senator MCCLURE.

There will be no rollcall votes tomorrow. The Senate will be in session on Monday on a pro forma basis only. There will be no rollcall votes on Monday.

The Senate will return to session on Tuesday, and the first rollcall vote will be at approximately 2:45 p.m. on Tuesday and will be on the cloture motion to be filed by Senator MCCLURE tomorrow.

RECESS UNTIL 11 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if the distinguished acting Republican leader has no further business, and if no Senator is seeking recognition, I

ask unanimous consent that the Senate stand in recess, under the previous order, until 11 a.m. tomorrow, Friday, June 9.

There being no objection, the Senate, at 6 p.m., recessed until Friday, June 9, 1989, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate June 8, 1989:

DEPARTMENT OF STATE

WILLIAM H. TAFT, IV, OF VIRGINIA, TO BE THE U.S. PERMANENT REPRESENTATIVE ON THE COUNCIL OF THE NORTH ATLANTIC TREATY ORGANIZATION, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

DEPARTMENT OF LABOR

DEBRA RUSSELL BOWLAND, OF LOUISIANA, TO BE ADMINISTRATOR OF THE WAGE AND HOUR DIVISION, DEPARTMENT OF LABOR, VICE PAULA V. SMITH, RESIGNED.

WILLIAM C. BROOKS, OF MICHIGAN, TO BE AN ASSISTANT SECRETARY OF LABOR, VICE FRED WILLIAM ALVAREZ, RESIGNED.

EXECUTIVE OFFICE OF THE PRESIDENT

JULIUS L. KATZ, OF MARYLAND, TO BE A DEPUTY U.S. TRADE REPRESENTATIVE, WITH THE RANK OF AMBASSADOR, VICE MICHAEL BRACKETT SMITH, RESIGNED.

INTERSTATE COMMERCE COMMISSION

EDWARD MARTIN EMMETT, OF TEXAS, TO BE A MEMBER OF THE INTERSTATE COMMERCE COMMISSION FOR A TERM EXPIRING DECEMBER 31, 1992, VICE FREDERIC N. ANDRE, TERM EXPIRED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A) IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. HOWARD D. GRAVES, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED ARMY MEDICAL CORPS OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be permanent major general

BRIG. GEN. FREDERICK N. BUSSEY, [redacted] U.S. ARMY.

To be permanent brigadier general

COL. LESLIE M. BURGER, [redacted] U.S. ARMY.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 8, 1989:

DEPARTMENT OF THE TREASURY

KENNETH W. GIDEON, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

GERALD L. OLSON, OF MINNESOTA, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

DEPARTMENT OF THE TREASURY

BRYCE L. HARLOW, OF VIRGINIA, TO BE A DEPUTY UNDER SECRETARY OF THE TREASURY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXECUTIVE OFFICE OF THE PRESIDENT

REGGIE B. WALTON, OF THE DISTRICT OF COLUMBIA, TO BE ASSOCIATE DIRECTOR FOR NATIONAL DRUG CONTROL POLICY.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE AIR TOXICS CONTROL ACT OF 1989

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. WAXMAN. Mr. Speaker, I am pleased to join Congressmen MICKEY LELAND, GUY MOLINARI, GERRY SIKORSKI, and JIM FLORIO in introducing the Air Toxics Control Act of 1989, to stem the flow of dangerous air toxics into our country's air supply. I want to commend Congressman LELAND for his leadership in assembling this vitally important legislation.

Last March, the Health and Environment Subcommittee released U.S. EPA data indicating that some 2.7 billion pounds of toxic air pollutants had been emitted into the Nation's air supply in 1987. Not surprisingly, this information generated considerable concern. However, there was no direct evidence linking the high levels of toxic releases with impacts on the public health.

Today, the subcommittee is releasing EPA data associating a number of industrial sources of air toxics with very high cancer risks. These are preliminary data. They are subject to some error and should be evaluated with care. But the general picture they provide is truly dismaying.

EPA has preliminarily identified some 205 industrial facilities in 37 States that are associated with cancer risks for the most exposed individual that may exceed 1 in 1,000. Some 45 facilities are associated with maximum individual cancer risks of greater than 1 in 100, and 1 facility is associated with an incredible 1 in 10 cancer risk.

In releasing this data, we do not intend to suggest that each risk estimate for each individual source is accurate. I would emphasize again, as EPA has emphasized, that the data are preliminary, and considerable uncertainty surrounds the risk estimates for individual sources.

The central message that I take from this data is more general, but no less compelling. The estimates for so many sources across the country of such high cancer risks is a stunning demonstration of the very real and very serious public health threat from air toxics.

We ignore these data at our peril. They suggest a problem so serious and widespread the public needs to know, our local and State governments need to know, and the Congress needs to know.

The risk estimates for these sources exceed by more than a thousand-fold the cancer risk level that most policymakers consider acceptable. For example, with regard to the cleanup of hazardous waste sites, the EPA uses regulatory programs to reduce potential cancer risks to levels of less than 1 in 100,000 in some instances, or 1 in 1,000,000 in others.

I have written to EPA to request more detailed, more comprehensive, and more up-to-date information on the air toxics risk estimates. The seriousness of the figures before us cannot be dismissed. Faced with such high risk estimates the Agency should have already moved to assemble the most reliable possible data to support evaluation of the cancer risk from these sources.

I have urged EPA to take prompt action under existing legislative authority to reduce air toxic emissions from these and other high risk sources. We can do no less. And we must also move quickly to increase our ability to deal with toxic air pollutants. These data reaffirm the urgent need for action on strong legislation to protect the public health from the release of air toxics.

I am very pleased today to be able to join Congressmen LELAND, FLORIO, and SIKORSKI in introducing legislation that will promptly and dramatically reduce such cancer risks.

The Air Toxic Control Act of 1989 will put EPA on a rapid schedule for issuing regulations for sources releasing any of a long list of toxic air pollutants. Such a mandate is long overdue. In the 19 years since the Agency was first directed to regulate hazardous air pollutants, standards have been issued for only seven of the hundreds of toxic air contaminants.

Major sources of air toxics will be required in the Air Toxic Control Act to use the best technology available to reduce toxic emissions. They will also be required to take any additional control steps necessary to protect the public health. No cancer risk of greater than 1 in 1,000,000 will be considered acceptable.

In addition, the legislation includes an aggressive program for the prevention and control of catastrophic accidental releases of air toxics, such as the accident in Bhopal, India in 1984 that killed thousands. A recent EPA study found that, since 1980, 17 accidents have occurred in the United States with potential for health impacts worse than those that accompanied the tragedy in Bhopal. Only through good fortune did we avoid such tragedies here. The Air Toxic Control Act will no longer leave it to chance that we won't have a Bhopal type accident here in the United States that costs thousands of American lives.

The Air Toxic Control Act also includes a strong program for the control of air toxic emissions, such as diesel particulates, from motor vehicles. According to EPA data, motor vehicles are among the most pervasive sources of cancer-causing air pollution in the country.

Finally, the Air Toxic Control Act has a sorely needed program to protect the Great Lakes from continued toxic air pollution damage.

I am confident that the provisions of the Air Toxic Control Act will establish a reasonable and effective program for protecting the public from air toxic emissions, and will do so as quickly as possible. Congressmen LELAND, MOLINARI, SIKORSKI, and FLORIO deserve tremendous credit for assembling this important legislation.

I look forward to working with my colleagues to move this bill rapidly through the Congress. I am pleased to announce that we will begin hearings on this bill at the Subcommittee on Health and the Environment in 2 weeks, on June 22.

I have attached for insertion into the RECORD a summary and section-by-section analysis of the Air Toxics Control Act of 1989:

SUMMARY OF THE AIR TOXICS CONTROL ACT OF 1989

The Air Toxics Control Act of 1989 establishes new programs for the control of hazardous air pollutants in each of five areas—(1) control of toxic emissions from industrial sources, (2) control of toxic emissions from motor vehicles, (3) prevention of accidental releases of toxic air pollutants, (4) protection of the Great Lakes, and (5) control of toxic emissions from small "area" sources.

LIST OF TOXIC AIR POLLUTANTS

Under current law, EPA is required to list substances that can cause death or serious illness when inhaled as hazardous air pollutants. Yet it has listed only eight of hundreds of such substances since 1970.

The bill takes listing out of EPA's hands by specifying 187 hazardous air pollutants to be regulated by EPA. EPA is given authority to add or delete substances on its own initiative or pursuant to a petition.

CONTROL OF TOXIC EMISSIONS FROM INDUSTRIAL SOURCES

Current law requires EPA to regulate hazardous air pollutants on an inefficient chemical-by-chemical basis. The bill takes a new approach by requiring regulation on an industry-by-industry basis. It directs EPA to set control standards for categories of industry based upon the best available control technology (BACT).

To ensure that the remaining risk to human health and the environment is small, the bill calls for analyses of the health risks remaining after BACT is applied. Further controls are required whenever the remaining risks of cancer or other serious illnesses at a facility exceed one in one million.

CONTROL OF TOXIC EMISSIONS FROM MOTOR VEHICLES

Cars and trucks are one of the most pervasive sources of hazardous air pollutants in urban air. The bill controls their emissions by requiring EPA to identify and regulate to the lowest achieveable emission rate hazardous air pollutants, such as diesel particulates, emitted from motor vehicles.

PREVENTION OF ACCIDENTAL RELEASES OF TOXIC AIR POLLUTANTS

Catastrophic chemical accidents involving air toxics, such as the incident at Bhopal, India, in 1984, have the potential to kill thousands, but are unaddressed by the ex-

isting Clean Air Act. The bill requires EPA to develop a list of the substances most likely to endanger the public through accidental releases to the air and to issue regulations to prevent—and provide for effective responses to—such releases. The bill also creates a Chemical Safety and Hazard Investigation Board, modeled after the National Transportation Safety Board, to investigate chemical accidents.

PROTECTION OF THE GREAT LAKES

The bill creates a special program to protect the Great Lakes, an area especially affected by the atmospheric deposition of hazardous pollutants. It requires a comprehensive EPA study and further regulation if the other requirements under the bill are insufficient to protect the Great Lakes.

CONTROL OF TOXIC EMISSIONS FROM AREA SOURCES

"Area sources" are small stationary sources of hazardous air pollutants that are unregulated under existing law. While individually minor in impact, collectively they contribute significantly to a hazardous "toxic soup" in many urban areas.

The bill creates a new program for area sources. After completing a comprehensive study, EPA is required to list important categories of areas sources and to issue regulations requiring control of hazardous pollutants from such sources through the best available control measures.

SECTION-BY-SECTION ANALYSIS OF THE AIR TOXICS CONTROL ACT OF 1989

SECTION 1: SHORT TITLE

This section provides that the bill may be cited as the Air Toxics Control Act of 1989.

SECTION 2: HAZARDOUS AIR POLLUTANTS

This section amends Section 112 of the Clean Air Act by striking the current language and replacing it with new programs for the control of hazardous air pollutants from major emitting facilities and area sources. The provisions of the new subsections of Section 112 are described below.

Definitions

This subsection defines key terms, including major emitting facility, area source, and hazardous air pollutant.

List of Hazardous Air Pollutants

This subsection lists 187 substances as hazardous air pollutants to be regulated under the section. EPA is given authority to add or delete substances on its own initiative or on a petition from the public. The test for addition or deletion of a substance is whether emissions, ambient concentrations or transformation products of the substance are known or may reasonably expected to cause serious adverse effects to human health or serious or widespread adverse environmental effects.

List of Categories

This subsection requires EPA to list all categories of major emitting facilities.

Schedule for Standards

This subsection establishes a two- to eight-year schedule for the promulgation of BACT emissions standards for categories of major emitting facilities. The schedule is to be established by EPA after considering such factors as the quantity of hazardous air pollutants emitted by major emitting facilities in the categories.

Emissions Standards

This subsection requires EPA to promulgate emissions standards for categories of major emitting facilities based on the best available control technology (BACT). The subsection establishes a floor for such standards, requiring them to be not less stringent than the best level of control achieved in practice. In setting standards for existing major emitting facilities, EPA may exclude from consideration the 10% of the facilities with the lowest emissions rates. If EPA does not set BACT standards for a category of major emitting facilities, a statutory default applies, requiring facilities to comply with the best level of control achieved in practice.

Risk Evaluation

This subsection requires EPA to evaluate the residual risk remaining after application of the BACT standards.

Residual Risk Standards for Carcinogens and Other Nonthreshold Pollutants

This subsection requires EPA to promulgate revised emissions standards if necessary to reduce the risks of cancer or other serious illness to the maximum exposed individual from "nonthreshold" pollutants from major emitting facilities to less than one in one million. The revised standards must be promulgated within five years after the promulgation of the BACT standards.

Residual Risk Standards for Threshold Air Pollutants

This subsection is similar to the subsection on residual risk standards for nonthreshold pollutants, except that it applies to "threshold" pollutants, which are pollutants for which EPA has established safe exposure levels. It requires revision of the emission standards as necessary to prevent, with an ample margin of safety, serious adverse effects to human health or widespread or serious adverse environmental effects.

Work Practice Standards

This subsection authorizes EPA to promulgate work practice standards in addition to, or in lieu of, emissions standards based on BACT.

Leak Prevention

This subsection requires EPA to include leak prevention, detection, and correction standards in the emissions standards.

Annual Safety Inspection

This subsection directs EPA to require major emitting facilities to conduct annual safety inspections to locate leaks.

Monitoring and Certification

This subsection directs EPA to promulgate monitoring and annual certification procedures for major emitting facilities.

De Minimis Emissions Level

This subsection authorizes EPA to establish a de minimis level of emissions of any hazardous air pollutant. Major emitting facilities emitting less than the de minimis level of the pollutant do not need to regulate those emissions under the section.

Permit Program

This subsection establishes a permit program for new, modified, and existing major emitting facilities. After the effective date of an emissions standard under the section, no major emitting facility can operate without a permit under the subsection.

Temporary Permits for Existing Major Emitting Facilities

This subsection establishes a procedure whereby an existing major emitting facility that certifies it is in compliance with the applicable emissions standards can receive a temporary, one-year operating permit pending issuance of a final permit.

Effective Dates

This subsection provides that emissions standards under the section are immediately effective for new major emitting facilities and are effective as expeditiously as practicable, but not later than three years after promulgation. for existing facilities.

Exemption from Residual Risk Standards

This subsection authorizes the permitting authority to exempt major emitting facilities from the residual risk standards upon a showing that the facility does not create a lifetime cancer risk greater than one in one million or cause serious adverse effects to human health.

Extensions from Residual Risk Standards

This subsection provides a series of three two-year extensions from the residual risk standards to major emitting facilities that cannot meet the standards with available technology.

National Security Exemption

This subsection authorizes the President to exempt major emitting facilities from emissions standards for national security reasons.

Voluntary Reductions

This section provides an exemption from the BACT standards for existing major emitting facilities that voluntarily reduce emissions of hazardous air pollutants by sufficient amounts from uncontrolled levels.

Area Source Program

This section establishes a program for controlling the emissions of hazardous air pollutants from area sources, which are stationary sources other than major emitting facilities. After completing a study of area source emissions, EPA must promulgate regulations requiring important categories of area sources to use the best available control measures.

State Programs

This subsection establishes a procedure whereby EPA delegates to the states its permitting authority for major emitting facilities and its authority to enforce requirements for area sources.

Protection of the Great Lakes

This subsection provides special protection for the Great Lakes. After a study, EPA is required to promulgate additional control regulations if necessary to protect the Great Lakes from serious or widespread adverse environmental effects from atmospheric deposition of hazardous air pollutants.

Savings Clause

This subsection provides that nothing in section 112 affects more stringent requirements under other laws.

Reports

This subsection requires EPA to submit annual status reports to Congress.

General Provisions

This subsection contains general administrative provisions providing for the public availability of documents, an air toxics clearinghouse, and other matters.

SECTION 3: GUIDELINES FOR RISK EVALUATIONS

This section adds a new section to the Clean Air Act requiring EPA to develop guidelines for risk evaluations.

SECTION 4: MOTOR VEHICLES AIR TOXICS

This section amends title II of the Clean Air Act to require EPA to regulate the emissions of hazardous air pollutants from motor vehicles. EPA is required to list air

pollutants emitted from motor vehicles that cause or may reasonably be expected to cause serious adverse effects to human health or serious or widespread adverse environmental effects. EPA is then required to use its existing authority under section 202 (regarding motor vehicle emission standards) or section 211 (regarding regulation of fuels) to reduce emissions of such pollutants to the lowest achievable emission rate, taking costs into account. EPA is required to prepare a residual risk analysis after promulgating the technology-based standards and to issue such additional standards as necessary to prevent serious adverse effects to human health or serious or widespread adverse environmental effects.

Specific subsections establish new emissions standards for particulates, ban the sale of leaded gasoline, and require retrofit technology on existing diesel buses to control particulate emissions.

SECTION 5: ACCIDENTAL RELEASES

This section establishes a new program to prevent and provide for effective responses to accidental releases to the ambient air of hazardous air pollutants. The provisions of the new subsections of Section 129 are described below.

Purpose

This subsection states that the purpose of the section is to prevent or reduce the potential for the accidental release of listed substances and to minimize the consequences of such releases.

Definitions

This subsection defines key terms, such as release, accidental release, and covered facility.

List of Substances

This subsection requires EPA to establish within 2 years a list of at least the 100 substances that pose the greatest risks to human health and the environment from accidental releases. EPA is authorized to add or delete substances from the list on its own initiative or pursuant to a petition from the public. EPA is also required to review substances on the list established by section 112, the list established by section 302 of the Emergency Planning and Community Right-to-Know Act of 1986, and the list of liquids and gases identified by the Secretary of Transportation as toxic upon inhalation to determine whether such substances should be added to the list under this subsection.

At the time EPA lists a substance, EPA is authorized to establish a de minimis quantity of the substance. Only facilities having more than the de minimis quantity of the substance are covered under this section.

Accident Prevention, Detection, and Response Regulations

This subsection directs EPA to promulgate regulations to provide for the prevention and detection of accidental releases and for effective responses to such releases. The regulations are effective two years after promulgation or two years after the substance concerned is listed, whichever comes later.

Risk Management Plans

This subsection requires EPA to include in the regulations under this section provisions for the preparation of risk management plans by covered facilities. Such plans must assess risks and establish programs for preventing and responding to accidental releases.

Compliance with Risk Management Plans

This subsection requires covered facilities to register risk management plans with EPA and other concerned agencies. The plans must be updated as required by EPA rule.

Enforcement

This subsection provides that rules promulgated under this section are enforceable to the same extent as rules under section 112.

Other Authority

This subsection provides that nothing in this section affects other requirements applicable under other laws.

Chemical Safety and Hazard Investigation Board

This subsection creates a Chemical Safety and Hazard Investigation Board with powers to investigate and report on accidental releases. The Board is modeled after the National Transportation Safety Board.

SECTION 6. GENERAL PROVISIONS

This section contains provisions strengthening the enforcement citizen suit, and judicial review provisions of the Clean Air Act and making conforming changes.

STUDENT LOAN DEFAULTS

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. FORD of Michigan. Mr. Speaker, last week, Secretary of Education Lauro F. Cavazos announced the administration's new initiatives to reduce defaults in the Student Loan Program. Student loan defaults are certainly a problem meriting serious attention. Default costs this year are likely to be more than $1.5 billion. However, we should not lose sight of the fact that over 90 percent of student borrowers do pay their loans back, that the student loan programs enable many low- and moderate-income students to pursue post secondary education and that most of the increase in default costs is due to increases in loan volume not to increases in the rate of default.

The Secretary's initiative includes new final regulations for the student loan programs, new proposed regulations, additional administrative actions by the Department and proposed legislation. Under the new regulations schools whose students have a default rate above 60 percent would be subject to having their participation in the student loan programs limited, suspended or terminated in 1991. Schools with lower default rates between 60 and 20 percent would be required to take various actions including implementing pro rata refund policy, delaying certification of loans to first-time borrowers and undertaking default management plans. All schools would be required to provide improved entrance counseling to first-time borrowers, and all vocational schools would be required to provide consumer information, including program completion and job placement data.

The new regulations represent a series of graduated responses and requirements depending on the severity of the default situation at a particular school. No school would be subject to automatic termination from the programs if the default rate of its students exceeds a fixed percentage. I applaud this thoughtful and measured approach relating to the remedies to the severity of the problem. These regulations adopt and refine a number of suggestions that have been developed by the higher education community and in congressional hearings and reports. They show an increased sensitivity and understanding of the default problem in stark contrast to the mindless Draconian meat-ax approach of this Secretary's predecessor.

I also commend the Secretary for acting to strengthen the enforcement efforts of the Department of Education including increased reviews of schools, lenders, and guarantee agencies, increased audits and investigations and vigorous enforcement of due diligence collection requirements for lenders and guarantee agencies. I believe that one of the major causes of defaults becoming a serious problem was the erosion of enforcement efforts by the Department during the Reagan years. During that period cutting back Federal employment and controls was seen as the highest good regardless of the consequences for the sound administration of Federal programs, for safeguarding the taxpayers' dollars and for the public interest.

While I support the constructive steps taken by the Secretary, his efforts unfortunately fail to deal with the root cause of the default problem. The problem is that we are loaning far to much money to low income students. Two-thirds of Federal student financial aid is now in the form of loans whereas a decade ago two-thirds of it was grants. In addition, the purchasing power of the maximum Pell grant, our largest grant program, has diminished in the last decade by 25 percent compared to the CPI and by 40 percent compared to college costs. If you make increasing amounts of loans to low-income students, who are the most likely to default, you will inevitably have increasing default costs. Until we redress the growing imbalance between grants and loans in student aid, the default problem will not be significantly ameliorated. I look forward to working with the Secretary to address this most fundamental cause of student loan defaults.

PUBLIC EDUCATION: WHAT WILL HAPPEN?

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. GINGRICH. Mr. Speaker, the following is an editorial from the May 30 edition of the Washington Post estimating what will happen to public education by the year 2000.

I would urge my colleagues to read this editorial and ask how we can assure that public education will improve and grow stronger:

PUBLIC EDUCATION IS A MESS

(By Paul D. White)

Public education is sinking not so slowly into the West. Use any indicator you choose: the growing dropout rate, the increasing number of districts going bankrupt, the growing mountain of litigation against

school districts, the increasing venom of bargaining units, the large number of educators who jump ship to other professions or the racial polarization threatening to bring the same divisiveness to education it has brought to law enforcement and other professions.

If we don't start facing reality, public education won't live to see the year 2000—at least not without so many governmental I-V tubes and life-support systems that it will hardly be functioning. We need total rethinking, a break with tradition and ritual so we can get on with effective education and throw off everything that is getting in the way.

What's in the way? You don't have time to hear the entire list. However, to whet your interest, I present six of the most widespread policies or attitudes that are killing our education system and briefly touch on what we can do to correct them.

1. EXCESSIVE FEAR OF LITIGATION

The operative word here is "excessive." Schools everywhere are curtailing previously successful, necessary and stimulating activities and neglecting to experiment with new ones because they are afraid of being sued. Should student activities be sanitary? Legal? Reasonably safe? Of course they should, and districts that overlook these considerations have a responsibility to damaged parties. But the fear of someone waiting to litigate against them has driven many districts to water down reasonable extracurricular activities, greatly limit the use of valid films and literature and even endanger students by making sex education so sanitized that it doesn't deal honestly with the tremendous problems of today.

If the system is going under, it's better to fall from the assassin's bullet of irresponsible and unprincipled lawsuits than for education to take its own life by restricting its programs until they lack the vitality that makes education viable. Any program that's 100 percent safe from potential litigation is usually too weak and vapid to be effective. Education is a revolutionary undertaking, and those individuals and districts who fear a legal judgment more than they do depriving students of needed programs need a new vocation or a gold watch.

2. TENURE

How many ineffective teachers are out there? More than file cabinets full of inflated evaluations would indicate. How many do we get rid of? Very few. The biggest obstacle is tenure laws. In most states, if you can manage to do nothing indecent, show up on time and stay relatively sober at work, you are almost guaranteed a lifetime teaching job. It is only probationary teachers that a school system has any real chance of terminating, and the new crop coming in is much more motivated, well-trained and deserving of employment, for the most part, than much of the existing old guard. Why don't principals move on the horde of unsatisfactory tenured teachers? It's too time-consuming, and the other demands of the job are too great.

But whatever the cost, financial or otherwise, it's worth getting rid of tenure. The real cost, in terms of dreams killed and students discouraged by poor teaching, is immeasurable.

3. THE EDIFICE COMPLEX

Our philosophy on building schools is all wrong. New schools cost millions, are built to serve thousands and take forever to construct. Education needs and demographics are constantly changing, and large, permanent complexes are not flexible enough to keep up. Because of their unwieldy size, we pump a disproportionate budgetary amount into heating, cooling, maintenance, transportation and food systems. These funds would be more effectively spent if directed at the students themselves. And what about the students of these megaschools? Who knows? When a small office staff deals with so many young people every day, tight accountability goes out the window. Who really knows whether students are there or not, safe or not, learning or not?

Instead of 2,000-pupil high schools, why not have 10 satellite campuses of 200 students each? Teach them in large, sturdy, comfortable (and cheap) warehouses. Forget trying to create mini-college campuses. Instead offer high accountability and a real sense of personal involvement with each individual. When schools need major resources, they should work with their communities, making use of parks, libraries, playing fields, transportation. Why duplicate unnecessarily and ineffectively? The only real thing the schools would be giving up is . . .

4. INTERSCHOLASTIC SPORTS

It appears this entire institution has taken steroids, because its growth and position of importance in many schools is outrageously out of proportion. Grade fixing? Overlooking drug-use by star athletes? Prime athletes being allowed to remain illiterate? School budgets dependent on athletic gate receipts? No, we're not just talking about college sports any longer; these are facts of life in many large high schools. Academic performance and pride in learning are receiving an increasingly distant priority in comparison with the importance placed on interscholastic sports. Why do we do so poorly in science, math and geography? Because schools, the only places in society that can dignify and reward these pursuits, have turned themselves into entertainment centers, where academics simply fill the time between morning athletic practice and evening games.

The schools should ban interscholastic sports immediately. Physical activity and competition are fun, healthy and harmless, but all three of these benefits can be realized through a strong program of physical education and intramurals. If the colleges desire a minor league system or if the adults of America desire Friday evening entertainment, let them organize and pay for it. Keep schools focused on the academic upgrading of our youth.

5. ONE PLAN FOR ALL STUDENTS

Was it ever a sensible idea to assume that the Harvard-bound and McDonald's-bound, the student who deeply cares and the student who couldn't care less, can both be effectively educated under one roof and one system until they're 18 years old? It's ludicrous, and so are the academic efforts of many high schools. This refusal to track students at an earlier age into programs best suited to their needs has resulted in a diluted curriculum for our brighter students and a glorified recreation/day care program for our technical and trade-oriented students.

Two strong, distinct educational tracks should be developed for students, and the schools should not wait until after the 9th grade to place students in them. Let the college preparatory track be challenging enough to keep up with the rest of the world's scholars. Let the vocational track offer the widest possible variety of employable skills and technological training. Dignify both tracks by creating them equal in quality but distinct in identity.

6. DENIAL, A SUPERIORITY COMPLEX AND INBREEDING

I've listed the last three problems together, because you almost never find one without the other two. All school districts have problems, many have large problems and a growing number can expect the sky to fall any day now. But when is the last time you heard a district (not the community) announce it had a significant problem? The dangerous practice of overt denial is growing. Every public agency that monitors students and their behavior tells the schools that they have problems. The schools issue their own reports and say everything's fine. Someone's lying.

One way schools have discovered for keeping bad news contained is to make it impossible for outside leadership to transfer in. By filling all administrative openings with cronies, the spread of negative news can be kept in, but this also keeps new and innovative leadership out.

To top it off, Americans have a misguided superiority complex about how effective their educational system is. In a recent survey American and Korean students were asked how well they thought they performed in math. Only 23 percent of Koreans, who are the best math students in the world, thought they were good in math. On the other hand, 76 percent of Americans, who are some of the weakest math students in the world, thought they were excellent. Americans are still quick to wave the flag and expound on the wonderful opportunities our free educational system offers. They need to be equally quick in acknowledging our slipping position in worldwide education and courageous enough to take the steps needed to shore it up.

HAPPY BIRTHDAY, JAMES B. LINEHAN

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure today to honor James B. Linehan of Barrington, RI. Mr. Linehan has served the United States of America and the State of Rhode Island with distinguished courage and integrity.

A veteran of World War I, Mr. Linehan served in the French theater. After attending Boston College as an undergraduate and law student, he was appointed to his judgeship following World War II. Mr. Linehan dedicated over 30 years to the bench, serving through some of the most difficult times on the judicial circuit.

Today, Mr. Linehan has 12 grandchildren and 13 great grandchildren. I would like to wish him a happy 95th birthday for this past May 27 and send him our gratitude and best wishes for many more.

REPRESENTATIVE HORTON HONORED AT DINNER TO BENEFIT ISRAEL

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. GILMAN. Mr. Speaker, I rise today to pay tribute to one of the outstanding Members of this body. It is been an honor and a privilege to serve with my colleague from New York, Representative FRANK HORTON. I believe FRANK should be recognized for his dedication and service to the public.

FRANK is chairman of the New York Bipartisan Congressional Delegation and has served in Congress for 27 years. Recently FRANK was honored with a State of Israel's Bonds Testimonial Dinner in tribute to Frank Horton. FRANK was the recipient of Israel's Jerusalem Medal. Over $2 million was raised for the State of Israel bonds. I believe the following statement by the president of Rochester Institute of Technology, Dr. Richard M. Rose, accurately depicts FRANK HORTON's career in Congress and his dedication to the right of self determination in the Middle East:

FRANK HORTON TESTIMONIAL DINNER

(Remarks by M. Richard Rose, President, Rochester Institute of Technology)

Thank you, Nick—Frank and Nancy—his Excellency Nissen—Congresswoman Slaughter—and friends of Frank Horton.

It is a pleasure to gather with Frank Horton's many friends and colleagues to, again, say a small thanks—for his twenty-seven years of service—in the Halls of Congress.

Frank has always stood foursquare—for justice and fair play.

His historic clash with the White House—not long ago—over the Whistleblower's act—typified this commitment to governmental integrity.

It is appropriate to recognize Frank, at a State of Israel Testimonial Dinner.

The founding of the State of Israel—and this nation's constant support—is symbolic of our commitment to the right of self-determination.

And the recognition of the human rights of all people in the Middle East—as well as other parts of the world.

Are a mainstay of Frank Horton's political philosophy.

I am personally pleased to have been asked to be a participant in this event—which helps enable the State of Israel to maintain its integrity and commitment to justice.

Frank once told me he sees the Mideast as an analog of Rochester: a lot of little people trying to make a living and get along.

This reflects to me: an attitude; a spirit; and a recognition of the equality of all people under god.

Frank, clearly, you understand the hopes and dreams of your constituents—as well as the hopes and dreams of those who desire, to live in peace.

We have no difficulty understanding why you have been returned to office 13 times by resounding margins.

And we shouldn't be misled by Frank's easygoing—down home style.

It masks a very sophisticated knowledge of the Congress and what it takes to: get the job done; and to deliver swing votes on critical defense, domestic and foreign policy issues.

Frank, you have brought to Washington an understanding of people—and an attitude that combines independence of thought—with an understanding of how to make politics work.

Your bipartisan philosophy has won you the respect of leaders from both sides of the aisle.

Many of us in education are grateful: that you have made education a priority; and that you have significantly influenced the federal government in this regard.

And we at RIT—are especially grateful—and we thank you, again, for being a principal supporter of RIT's National Technical Institute for the Deaf.

As a college of RIT:

NTID has demonstrated its impact on the lives of thousands of hearing impaired young people who now are contributors to society.

They arrived dependent on society—and leave self-sufficient professionals.

Value added by any measure—made possible by government support—guided by your leadership.

You see the value of the investment—which, in strictly economic terms, pay dividends in increased taxes.

You also see the human value—of adding dignity—the self esteem—beyond dollar value.

Additionally, at RIT—creation of the Horton Scholars Program—reflects your long-standing and deep interest in education—and in providing business and industry with highly qualified graduates.

The Horton speaker's series has been established at RIT to bring distinguished national figures to our campus—which enhances both the intellectual process—and the educational perspective.

And for the State of Israel—you are another reason to dream positive dreams for its future.

For all of us gathered here—you ideally reflect the vision of our Founding Fathers—carried forward to 1989—as to what a Congressman should be.

Frank, you are truly "an elected representative for the people."

TRIBUTE TO WAYNE TOWNSHIP PLANNER DONALD W. GILES ON HIS RETIREMENT

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. ROE. Mr. Speaker, it is with the greatest pride and admiration that I rise today in honor of a special individual and a tireless public and community servant from my Eighth Congressional District of New Jersey who has been a vital asset to the municipality of Wayne, NJ, for nearly three decades.

I am speaking of Donald William Giles, who has served with great distinction for the past 28 years as the Wayne Township planner, and who, having accrued an outstanding record of exemplary service, is now retiring. For all that Donald W. Giles has accomplished, he will be honored with a dinner dance on June 23, 1989, at the Brownstone House in Paterson, NJ.

Mr. Speaker, I know that this event will be a great source of pride to Don Giles' devoted family; his loving wife, Lucille; his daughters, Barbara MacDonald and Leslie Lieber; his granddaughter, Sarah Lieber, and his brothers, Richard and Kenneth Giles. I know, too, that this event will be a great success, thanks to the tireless efforts of dinner chairman John W. Littleton, and the dinner committee, Charles Kelly, Violet Witkowski, Jack O'Brien, Anthony Buzzoni, Thomas Melani, and Albert Tallia.

Mr. Speaker, Don Giles will, indeed, be missed by Wayne Township and by the State of New Jersey. As township planner since 1961, he has been responsible for mapping out the orderly growth of one of the most rapidly growing and complex areas of our country, integrating residential, industrial, commercial, school and recreational development. Wayne's ability to make this transition effectively during the past three decades is a strong testament to Donald W. Giles' unique ability and strong dedication.

Don Giles was born in Brooklyn, NY, and moved to Summit, NJ, at age 8. He attended Summit High School, served in the U.S. Navy and then entered Worcester Polytechnic Institute, where he received his degree in civil engineering in 1950. He began learning his trade during the decade from 1951 to 1961 as an assistant planner with a private consultant firm in New York City.

Mr. Speaker, in 1961 Don Giles was appointed by Wayne Township Mayor Richard P. Browne as the municipality's first township planner. He has performed so well in that capacity that he has been reappointed every 4 years, serving a total of seven terms.

Among his many outstanding accomplishments, Donald W. Giles was instrumental in acquiring State and Federal funding for open land within the township, as well as getting developers of major subdivisions to donate land for Wayne's 2,588 acres of reserved parcels of parkland. He also obtained funding that enabled the township to purchase the estate home of noted writer Albert Payson Terhune, the author of the "Lassie" series.

Mr. Speaker, Donald W. Giles was also instrumental in the establishment of the Route 23 urban renewal area located in the mountain view section of Wayne, and he helped to establish the mountain view restoration project and to acquire State funding for it. In addition, under Don Giles' tenure, Wayne's first shopping center, the Preakness Shopping Center, was developed in 1962, and the Rouse Co. of Maryland selected Wayne as the site for its shopping mall which in 1966 was considered to be the world's largest regional shopping mall consisting of more than 105 acres.

One of the most outstanding experts in the field of planning, Donald W. Giles was instrumental in establishing Wayne Township's master plans, the official map of parks in 1963 and the official map of the township establishing present and proposed future growth of the municipality.

In 1982 Don Giles' work was recognized by New Jersey Gov. Thomas Kean, who appointed him as a member of the New Jersey State Board of Professional Planners Licensing Board, on which he is serving his second 4-year term. In addition, Donald W. Giles is

highly active in the New Providence Presbyterian Church, to which he and his wife have belonged for 32 years and where he is in charge of recordkeeping and accounting.

Mr. Speaker, I appreciate this opportunity to present a brief profile of a truly outstanding individual and public servant who has used his considerable skills to help guide the planning for the township of Wayne, NJ, thereby making it the fine place to live that it is today. It is with great pride then, Mr. Speaker, that I invite you and our colleagues to join me in saluting a great individual and great American who has truly made his community, State, and Nation a better place to live, Donald W. Giles, township planner of Wayne, NJ.

ANNUAL SURVEY

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. FORD of Michigan. Mr. Speaker, every year since I first entered the Congress in 1965, I have surveyed the views of my constituents on a wide range of national issues. This year's survey, the 25th I have conducted, received a tremendous response. Approximately 12,000 people answered the survey, which asked 13 yes/no questions and also asked each individual to list the activities of the Federal Government which should receive an increase or a reduction in funding.

At this time, Mr. Speaker, I would like to share the responses of my constituents in the 15th Congressional District of Michigan with my colleagues. The 20 communities that make up the 15th Congressional District are Augusta Township, Belleville, Canton Township, Dearborn Heights, Garden City, Huron Township, Livonia, Milan, Romulus, Saline, Southgate, Sumpter Township, Superior Township, Taylor, Van Buren Township, Wayne, Westland, York Township, Ypsilanti, and Ypsilanti Township.

Both in this year's survey and last year's, housing program were among those most frequently named as deserving more Federal aid. To test the depth of my constituents' support for such aid, I asked them whether they would be willing to pay $100 a year more in Federal taxes to address the problems of the homeless. A surprisingly large number, 36 percent, said "yes." A tax increase of that size would support a $10 billion increase in what is currently a $550 million program of assistance.

I also asked whether my constituents support establishment of a National Housing Trust to provide $2 billion a year in subsidized low-interest-rate mortgages to help renters buy their first home. Fifty-three percent said Congress should enact such an initiative.

The survey's two questions relating to foreign trade provoked one-sided responses. Seventy-nine percent favor extending the President's authority to negotiate voluntary restraint agreements [VRA's] with foreign steel producers for another 5 years. The VRA's have helped reduce steel imports to less than 20 percent of the U.S. market, down from 30 percent in 1984.

An even greater majority opposes President Bush's deal to transfer F-16 technology to Japan for coproduction of a new fighter airplane, the FSX. Eighty-three percent of my constituents want Congress to block the licensing agreement between General Dynamics and Japan. I was an original cosponsor of the House resolution to disapprove the FSX deal. Though the disapproval resolution was defeated in the Senate, I intend to continue to work with the House FSX task force to find a way to block or limit this outrageous giveaway of American technology.

As it usually is among the people of the 15th District, defense spending was singled out as the area where the Federal budget most needs reduction. What I found surprising, however, was the fact that nuclear weapons programs were identified as a high priority for budget cuts even apart from the general category of defense.

My constituents' negative feelings about nuclear weapons were reflected in their very strong opposition both to expansion of the MX missile program and to deployment of the Midgetman mobile ICBM. Seventy-six percent oppose spending $5.4 billion for the Rail Garrison MX, and 82 percent oppose the more expensive Midgetman Program.

Even larger majorities favor negotiations of an arms control agreement with the Soviet Union. Eighty-six percent of my constituents want President Bush to conclude the nuclear arms reduction treaty that President Reagan initiated. Eighty-three percent want the President to negotiate even deeper cuts than the 50-percent reduction in nuclear arsenals that Reagan and Gorbachev tentatively agreed to.

Despite the fact that our national unemployment rate has fallen below 5.5 percent, concern about job loss remains high in my congressional district. A substantial majority favors increasing funding for the Economic Dislocation and Worker Adjustment Assistance Act [EDWAA] to $600 million a year, even at the risk of increasing the budget deficit.

EDWWA provides money and technical assistance to State and local agencies to retrain and help reemploy people who are permanently laid off. When a business shuts down or lays off 50 or more workers, it is required to notify the Governor's Office of Job Training 60 days in advance. The Job Training Office then coordinates the delivery of financial and job counseling, training, and placement services, before any of the workers is actually terminated.

Senator HOWARD METZENBAUM and I have helped lead an effort to add resources to the Dislocated Workers Program. The fiscal year 1990 budget resolution calls for a $200 million increase, but no decision has been made yet by the Appropriations Committees.

My constituents feel very strongly that the Federal minimum wage should be increased. Seventy-nine percent agreed that the minimum should be raised to $4.65 by January 1992, and many of those who opposed that increase did so because it was not enough.

Congress has passed H.R. 2, which would raise the minimum wage to $4.55 by October 1991, but President Bush says he intends to veto it. I intend to work with my colleagues to override the President's veto if he is so meanspirited as to cast it.

I asked one other employment-related question on this year's survey—whether Congress should enact the Family and Medical Leave Act, H.R. 770. H.R. 770 would require businesses with 50 or more employees to provide up to 10 weeks of unpaid leave to employees who request it after the birth or adoption of a child, to care for a seriously ill child, spouse, or dependent parent, or during a period of medical disability.

Seventy-seven percent of my constituents said they want Congress to enact the Family and Medical Leave Act. I am a cosponsor of H.R. 770, have voted for it in both of my committees this year, and will do all I can to see that it becomes law.

For the first time ever, the environment was named as my constituents' highest priority for Federal action, beating out drugs, the Federal deficit, and education as areas needing more attention. I was especially impressed with the strength of this response because the question assumed that tackling this problem might require an increase in the Federal budget deficit.

I believe that the perils of global warming, the *Exxon Valdez* disaster, and the solid waste and toxic waste disposal crisis have made my constituents more aware than ever of the fragility of the environment. They are willing to take radical steps to protect the environment. And they are willing to pay to accomplish this important goal.

Ninety-three percent favor a law that would require the States to implement recycling programs that would increase the proportion of garbage that is recycled to 25 percent.

Ninety-seven percent want the Federal Government to encourage the development of markets for degradable plastics.

And 69 percent of my constituents want the Federal Government to provide money to promote waste reduction techniques by industry.

The 101st Congress will consider several proposals to investigate methods by which the Federal Government can encourage businesses to reduce the amount of waste generated during the production process and to create products that can be recycled. I am a cosponsor of H.R. 1457, the Waste Reduction Act, which seeks to encourage the voluntary reduction of hazardous wastes created during the manufacturing process. Among other things, the bill would provide matching grants to States to provide on-site technical assistance to small- and medium-sized businesses to enable them to identify and implement appropriate waste reduction practices.

I am also a cosponsor of H.R. 500, the Recyclable Materials Science and Technology Development Act, to promote a public-private sector effort to develop recycling technologies and open new markets for recyclable consumer products.

As in past years, my constituents identified defense spending and foreign aid as the areas where they would like to see Government spending reduced. Welfare was a distant third, perhaps because people are waiting to see whether last year's welfare reform bill, whose JOBS Program will be phased in over the next 3 years, will be successful in moving welfare mothers off the rolls and into productive work.

Pentagon programs have never been less popular among my voters. They perceive the costs of our nuclear weapons program to be out of control and many believe that waste, fraud, and abuse are endemic in the Pentagon procurement system. As far as I can tell, they are right.

Northrup, which is building the $500-$600 million B-2 Stealth bomber, has a sordid track record. The Justice Department and Congress are investigating allegations that Northrup paid bribes to foreign countries, OSHA is investigating an epidemic of occupational disease among its workers, and the company has been indicted for criminal fraud because it delivered weapons to the Air Force that don't work. This history has led to my cosponsorship of H.R. 1337, which would force the Pentagon to declassify the production records, cost accounting, and testing of the B-2 (the most expensive planes ever built) so that Congress and the General Accounting Office will be able to oversee its development and judge whether the B-2 should be canceled or produced.

As I said at the outset, Mr. Speaker, I was very pleased by the overwhelming response my survey generated. This annual questionnaire continues to be a valuable learning experience for my constituents and for me. All who responded have my heartfelt thanks.

A VISIT TO WASHINGTON, DC

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. GINGRICH. Mr. Speaker, the following is a letter I received from a constituent of mine, Kenneth Dodd. His account of the experiences in Washington with a tour group from Herschel Jones Junior High School is appalling.

I would urge my colleagues to read this editorial and realize the urgent need we have to clean up the District from the prevailing crime and drugs that are present.

The letter follows:

HERSCHEL JONES JR. HIGH SCHOOL,
Dallas, GA, March 28, 1989.

Congressman NEWT GINGRICH,
Carroll County Court House,
Carrollton, GA.

DEAR CONGRESSMAN GINGRICH: During the week of 19-25 March 1989 I led a tour group from Herschel Jones Junior High School of Dallas, Georgia to Washington, D.C. We were appalled at what all we saw. Bums were laying all over the streets. We stayed in the Hotel Harrington and several evenings while eating supper bums would come in and attempt to pan handle scraps of food off the plates of the students. One evening a bum walked into the hotel dining room and picked up a supper plate and fork of a student of mine and walked out onto the street with it despite there being a guard on duty in the lobby.

One evening a 13-year-old student of mine looked out of his fifth story hotel room window and witnessed a murder in the alley. He saw a thug lunge for a bum with a knife and stab the victim to death. His mother was upset as she told me about it. The boy has refused to discuss the matter with anybody but his mother.

Across the street from the White House some boys with my group went to a public underground rest room. When they entered they saw a bum that was stark naked taking a bath in a sink. One boy gave the bum $1.50 after he begged for a handout. The children looked out of our chartered bus and saw two bums fighting over a park bench. We saw a bum "high as a kite" on drugs doing a wild dance in the middle of the street directly in front of the White House.

Is there nothing that can be done? The chief of police of Washington, D.C. seems to feel that the thing to do is let the drug killers kill each other off until they decide among themselves who will control Washington.

I intend to take another group to the nation's capital next year but would greatly appreciate it if you would support measures that would lead to the cleaning up of Washington even if it requires calling out the Marines with tanks anf flame throwers.

Sincerely,

KENNETH L. DODD.

Buchanan, GA.

JENNIFER CABRAL, OUTSTANDING STUDENT

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Jennifer Cabral, of Bristol, RI, this year's recipient of the first annual Ronald K. Machtley Award for Our Lady of Fatima High School in Warren, RI.

This award is presented to the student, chosen by Our Lady of Fatima High School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Jennifer has clearly met this criteria by being a member of the National Honor Society for 2 years. She has also been very active within student government as a class officer, student council member, and president of the student council her senior year. In addition to being coeditor of the school yearbook, she has been a committed member of the pro-life club, the drama, chorus, and the dance club. Outside of school, she has been a camp counselor for Sisters of St. Dorothy Camp.

I commend Jennifer for her achievements and wish her all the best in her future endeavors.

INTRODUCTION OF WORKERS POLITICAL RIGHTS ACT

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. DELAY. Mr. Speaker, today I am introducing a bill I believe reaffirms the very basic personal rights of every American worker in our Nation, including the right to choice, freedom of speech and association, and the basic right to know.

As we have spent nearly the first 6 months of the 101st Congress fighting off accusation after accusation of ethics violations, the very name of our Congress has been smeared almost daily. Little attention has been paid to the people we were sent here to represent—the American worker.

It is high time to recognize that the American public is clearly crying out for ethics reform. And campaign and election ethics reform is at the top of the list. We need to ensure that workers in this country get the representation of their choice. We need to ensure that workers are afforded their basic right to choose what political causes and candidates they wish to support. And we need to restore faith in the Congress and the American democratic process for which our citizens and others were willing to defend till their death.

My legislation seeks to protect our workers' rights by stopping the common practice of forcing workers to contribute to political causes they do not support.

Unfortunately, the practice of forced dues politics, while slowed, still continues.

Overall, $9.4 billion (1982 figures) went to U.S. labor unions. Of that amount, an estimated $355 million—money that came from the pockets of more than 17,200,000 hard-working, union dues-paying members—was spent last year by union management on unreported political activities. I feel safe in saying that a vast majority of the millions of union members in this country have no idea how those political moneys were spent.

Our workers are entitled to know how their money is being spent and they have the right to choose what political activities they want to support or oppose.

Instead, millions of American workers have long been forced to contribute money through their union dues to causes they do not support. In addition, workers' money is being spent to lobby for causes unrelated to a union's duty of fair representation.

I'll give an example. Texas, as many of you may know, is in general opposed to gun control. I know workers in my district would be outraged if they realized that their union dues support extensive lobbying for gun control and welfare programs—and other legislation they may oppose, like tax increases, opposing a balanced budget, and weakening the defense of our Nation.

When deciding the case that is the basis for this legislation: Beck versus Communication Workers of America, the Supreme Court stated that "Congress authorized compulsory unionism only to the extent necessary to ensure that those who enjoy union-negotiated benefits contribute to their cause."

I agree.

While I recognize no one should get a free ride and benefit from labor management's bargaining representation by not paying their fair share of union dues, I also very strongly believe that union members paying either union dues or the substitute agency fees should have the right if they so choose to pay only that portion of the dues that pertains to collective bargaining—and not to political causes they do not support.

John Hurley along with Harry Beck and several others of his coworkers objected to what they believed to be a misuse of their funds. After discovering they were unable to stop these expenditures through internal union procedures, they resigned from the union. When forced to pay the compulsory agency fee instead of dues, they found that their hard-earned money was still being spent on activities unrelated to collective bargaining activities. In 1976, they decided to sue for their rights, their beliefs, and their freedom of speech and choice.

Twelve years and $700,000 later, the U.S. Supreme Court concluded the workers were right. The Court determined that only 21 percent of their compulsory fees were used for collective bargaining activities and that they were entitled to be reimbursed for the nearly 80 percent of their fees that was spent on political and other activities.

While the Court ruled that labor union members may demand a rebate of that part of their compulsory dues not used to negotiate and maintain their contracts, the problem today is that individual members of unions must ask for their dues back and sue in court. This is expensive, it makes it very difficult for members to secure their rights, and members are often intimidated.

Clearly, this is wrong. American workers should not be put through the wringer to find out how their hard-earned money is spent.

My bill would help workers cut through this red rape and afford them the right to know how much of their dues is being spent dutifully on collective bargaining matters and how much is spent on political and other activities—without having to file suit and wait years for the outcome.

While contributing to candidates and political causes that are in line with one's own beliefs is truly a basic American right, such political contributions should be voluntary.

We should elect our representatives, pass certain legislation, improve existing laws, and support various political causes the democratic way—not the dictatorial way.

FRIDAY NIGHT ALIVE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mrs. BOXER. Mr. Speaker, I wish to salute a courageous and forward-looking group in the county of Marin called "Friday Night Alive." This group was formed with the goal of reducing teenage alcohol and drug-related automobile crashes. At this time of year, their Safe Graduation Committee issues proclamations, holds community meetings and enlists the aid of the student bodies and the community to make sure that high school graduation night does not turn into a night of tragedy for our young people and their family and friends.

There is a growing awareness of the seriousness of drug and alcohol problems among youth in this country. The efforts of this group and the community to organize alcohol and drug-free graduation night dances and parties have been a huge success. Graduates have responded enthusiastically to these innovative and exciting parties.

In addition to providing a night to remember for these young people, these parties also send a powerful message to our young students that drugs and alcohol are not necessary to have fun.

I believe this kind of community response to an urgent problem deserves the commendation of everyone. My congratulations to everyone involved in it.

H.R. 1502

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. DELLUMS. Mr. Speaker, H.R. 1502, the District of Columbia Police Authorization and Expansion Act of 1989, is a bill to authorize the appropriation of funds to the District of Columbia for additional officers and members of the Metropolitan Police Department of the District of Columbia. In addition, H.R. 1502 as amended, resolves the historic preservation problem and allows the construction of an 800-bed prison facility to proceed. Also, it calls for the implementation of a community based policing system. Mr. Speaker, H.R. 1502 as amended, is the result of a bipartisan compromise worked out between this Member and the distinguished ranking Republican member of the Committee on the District of Columbia, the Honorable STAN PARRIS of Virginia.

Mr. Speaker, I can think of no other issue that grips the heart of America, than does the sale and use of illegal drugs. Although some might believe differently, no section of our country has been or is immune from this scourge. From tiny farm communities to big cities like Los Angeles, Miami, Phoenix, Philadelphia, Dallas, and Washington, DC, young men and women are being destroyed by the use and sale of drugs. Mr. Speaker, I don't think it would be too far afield to say that almost every Member of this body knows someone in their respective district that is directly affected by drugs. It is truly a national problem, one that reflects a deeper more insidious change in the fabric and makeup of our country's values.

Here in the National Capital region we have witnessed an onslaught of death and dying that is both staggering in proportions and of sobering consequence. The young men and women who have perished as the result of drug-related violence were the children of our future. Mr. Speaker, during the subcommittee markup session of H.R. 1502, the distinguished Member from the District of Columbia spoke of the personal side of the drug tragedy in his opening remarks, a portion of which I enter into the RECORD at this time:

We have been led to believe by some people that someone killed while selling drugs is somehow a non-person with no ties to the local community, simply another number on a long list of numbers recorded at our city's coroner's office. Surely this belief cannot be true.

Each time a young man dies, no matter what the reason, his death directly and profoundly effects his mother, his father, his sisters, his brothers, and other relatives and friends. To believe otherwise is to ignore the outpouring of emotion that is expressed at funerals recorded by the media for all of us to see. Mothers are weeping because their children are dying. That child has a name and an age and a place at the supper table and a bedroom of their own or a bed in a room shared by other brothers and sisters. His mother comforted him when he was a little child and watched him as he played games with other children and suddenly because of a violence that she cannot understand, no matter who tries to explain it to her, that son, that one time child of hope is gone and she weeps from deep within herself. And only the most callous among us do not weep with her.

So I know we are all deeply concerned about the drug dealing violence in our Nation's Capital and I welcome the concern of Members of Congress, some of whom live here and all of whom work here in coming to grips with this plague.

And if we can't win the war on drugs in our Nation's Capital with all of us here as partners in this effort, we can't win it anywhere.

Mr. Speaker, in full cooperation with my distinguished colleague from Virginia, the ranking Republican member of the District of Columbia Committee, I will move that H.R. 1502 as amended, be brought under suspension on Tuesday, June 13, 1989. H.R. 1502 as amended, is the first phase of a four part plan to confront the drug plague in the District of Columbia. It will provide additional needed funding over a 5-year period to hire 700 additional law enforcement officers as well as overcoming obstacles that have prevented the construction on a new 800 bed prison in the District of Columbia. It takes 18 months to 2 years to train police officers during which time I will propose the additional steps needed to complete a comprehensive attack on the drug problem.

I urge my colleagues on both sides of the aisle to vote in favor of passage of H.R. 1502 as amended.

GUARANTEEING ADEQUATE STAFFING FOR SOCIAL SECURITY OFFICES

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Ms. SCHNEIDER. Mr. Speaker, today I am introducing legislation that directs the General Accounting Office to investigate the impact of staffing cutbacks at Social Security field offices and the institution of a 1-800 telephone line. This bill will also implement a moratorium on further loss of personnel until the impact on those most vulnerable, namely the frail elderly, individuals with disabilities, and those with special needs, can be assessed by GAO.

Mr. Speaker, last month the Select Committee on Aging held hearings on this very topic in my district and witness after witness told of the detrimental effects of this so-called down sizing. We heard from elderly who were unable to access Social Security for even the most basic information. Frail elderly and

people with disabilities were asked to wait literally hours in line only to be told that there was no one to help them. Witnesses provided documented cases of staff providing incorrect information at the newly implemented 1-800 teleservice centers. It is clear to me that we need to take a good hard look at the overall impact of down sizing before we leap into a system that will insure only that the most vulnerable suffer the most.

Creating a system that is efficient for people as well as for the Government is critical, but it would appear that to date the vigorous efforts at down sizing has only served some agency officials' needs. The impact on those whose very existence depends upon Social Security has been ignored long enough. We simply can't expect people to wait months for benefits, because we don't have the staffing to get the claims done. We can't turn our backs on those who are hearing impaired or unable to communicate. We can't expect that simply because the Social Security Administration has devised a plan the frail, the sick elderly, and people with physical and mental impairments will suddenly be able to pick up a telephone, dial a number several States away, and if they are lucky enough to get through, articulate their needs. With the system as it currently exists, we can't even guarantee that if they do get to speak with someone, they will get accurate information!

I was also shocked to learn in the course of the hearing that an estimated 37 to 50 percent of the very poorest of Social Security recipients are not even aware that the SSI programs exists to serve their needs. Further reduction in staffing in the field offices will certainly make access and information about this program just that more elusive. Remember, this is not a welfare benefit, rather it is an entitlement for those elderly with the very lowest income. I cannot believe that a program that allows poor elderly to remain in dire poverty simply because of lack of information is working effectively to meet the needs of its beneficiaries. Even one elderly person living below the poverty line because he or she doesn't know about an entitlement, is needless human suffering.

I fear that the Social Security Administration's plan has lost sight of the very population it was set up to serve. Very simply, my legislation seeks to refocus attention on the need to provide service to social security recipients. Specifically, this bill:

Requires that GAO conduct a study to determine the impact of proposed staffing changes on beneficiaries, and particularly those with special needs;

Calls for a moratorium on staffing cuts until the study can be completed;

Allows local offices to maintain current staffing levels if they lose employees to attrition while the study is being undertaken;

Requires SSA to provide a protective accountability for communication.

This final requirement insures that people inquiring about their Social Security benefits are given accurate information by Social Security Administration employees and that records are kept of the inquiries and the answers provided.

I urge my colleagues to support this bill. Social Security beneficiaries will be grateful for your cosponsorship.

AMY KATHLEEN AHLBRECHT HONORED

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Amy Kathleen Ahlbrecht, of Newport, RI, this year's recipient of the first annual Ronald K. Machtley Award for Rogers High School in Newport, RI.

This award is presented to the student, chosen by Rogers High School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Amy has clearly met this criteria by being a member of the National Honor Society and the Rhode Island Honor Society. She has been very active in her school and community. As a junior, she was secretary of the student council and president her senior year. She was also editor-in-chief of the school yearbook her senior year after spending 3 years on staff.

Amy's interests also extend beyond the classroom. She was a student representative to the Newport School Committee. As a member of the Newport Community Task Force, she has helped to fight the plaque of drug use in our schools.

I commend Amy for her achievements and wish her all the best in her future endeavors.

CENTENNIAL ANNIVERSARY OF ACTUARIES

HON. ROD CHANDLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. CHANDLER. Mr. Speaker, I would like to congratulate the actuarial professionals in North America on their centennial anniversary. Actuaries from Canada and the United States have participated in a year-long series of events which will be highlighted by a 3-day centennial celebration in Washington, DC, June 12 through 14.

The function of the actuary dates back to the 18th century in Europe. However, it was not until 1889, that business leaders recognized the role of the actuary as a profession by establishing the Actuarial Society of America.

The anniversary program is coordinated by a consortium of five leading United States and Canadian actuarial groups. Their goal is to educate the public to the broadening role actuaries play in business and public policy decisionmaking.

Many people do not realize the important role actuaries play in our society. Actuaries were recently rated in the 1988 Jobs Rated Almanac as having the No. 1 career. In brief, actuaries are responsible for making sure that all the financial promises made by insurance companies, pension plans and government agencies like the Social Security Administration and the Department of Veterans Affairs are promises kept. Literally every person who has a pension or retirement plan, and health, life property, and casualty insurance is placing his trust in an actuary.

Actuaries use statistical and economic techniques to evaluate the financial, economic and business implications of future events. Actuaries represent the "brains behind the business" and are responsible for the financial solvency of a company's or client's projects, programs and investment portfolios.

The consortium is represented by the American Academy of Actuaries, the Canadian Institute of Actuaries, the Casualty Actuarial Society, the Conference of Actuaries in Public Practice, and the Society of Actuaries. The more than 13,000 actuaries in North America are members of one or more of these groups.

The centennial celebration will feature a keynote address by Willard Z. Estey, retired justice of the Supreme Court of Canada and current deputy chairman of the Central Capital Corp.

The Washington conference also features two general sessions on topics such as asset allocation, credit risks, health care and pensions, and a report by the Task Force on the Actuary of the Future to be released at a Washington news briefing. The report focuses on the actuary's rule for the future, including expansion into working risks in inflation, epidemics, securities defaults, and political change.

To further emphasize the expanding role actuaries will play as North America enters the 21st century, the consortium is sponsoring a series of four seminars, called Forecast 2000, which will deal with the exciting areas in which actuaries are practicing. Each seminar will involve a panel of actuaries expert in the subject matter being discussed. The panelists will discuss the changes to take place at the end of the 20th century and how business and government should prepare for them.

The Forecast 2000 seminars will focus on long-term care, environmental risks, pension and employee benefits and asset management and investments.

Mr. Speaker, I urge Members to join me in commending the actuarial profession in North America for their 100th anniversary and the fine job they have performed since the 18th century.

TRIBUTE TO THE MARCHING COBRAS

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. WHEAT. Mr. Speaker, it is with great pride that I rise today to bring to the attention of my colleagues the 20th anniversary celebration of a Kansas City treasure, the Marching Cobras.

As Kansas City's foremost ambassadors of good will, the Marching Cobras have traveled across the Nation and abroad to perform their unique routines for captivated audiences. Their routines are unique because the March-

ing Cobras don't just march—they dance, prance, run, jump, and wriggle with a precision that is marvelous to behold. While some refer to the Cobras as a drill team, they are really a dance and drill team. Or, as their director says, "The Cobras don't march—they perform."

Who are the Cobras? They are a group of 150 talented elementary and junior high school students from across the Greater Kansas City area who meet strict eligibility standards of good conduct and scholastic achievement. They are highly motivated, creative young people who work hard to perfect their routines and who serve as role models for other young people in the community. Above all, they are simply great entertainers.

While they have won over 200 first place awards in competition, the Cobras' greatness is reflected in the stature of their audiences. They have performed three times at the Cotton Bowl in Dallas; on "Kidsworld," the nationally syndicated television show for children; in the Fourth of July parade here in Washington, DC, the Freedom Week parade in Philadelphia, and the boardwalk in Atlantic City; at Disneyland and Knotts Berry Farm in California; in Hollywood in a TV pilot show; and at the Carnival of Festivals in Nice, France, where they won three first-place awards. And probably their biggest thrill was performing in a very special garden—the Rose Garden of the White House, where former President Ronald Reagan enjoyed a uniquely American performance.

The Marching Cobras are the product of one man's concern and love for the kids in his community. Willie Arthur Smith formed the Cobras in 1969 when he was a teacher of seventh and eighth grade social studies at Lincoln Academy South. The formation of the Cobras grew out of his conviction that the inner-city children he taught were in need of a constructive, meaningful social activity that would keep them off the streets. Twenty years later, Willie Smith has nurtured what was originally 13 boys performing in the school talent show into a world-renown performance group that has touched the hearts of millions. His is an accomplishment that deserves the highest praise and commendation.

Rather than becoming complacent by success, Willie Smith has continued to focus all his efforts on the Cobras. He still requires the daily 2-hour, high-intensity practices which keep the Cobras sharp and disciplined, and the children respond to his challenge. Boys and girls, young and old, he exhorts them to hone old routines while creating and mastering new routines for the future. By challenging them to always do better, Willie Smith instills in the children a work ethic and confidence in one's ability that serves each of them well as they grow older. As such, the story of the Cobras never ends with their latest performance—it is retold as those who were once Cobras carry the values they have learned into adulthood.

On June 18, the Marching Cobras mark their 20th anniversary with a gala celebration and performance at Kansas City's Starlight Theatre. It will be a special evening for thousands of Kansas Citians who have taken the Cobras to heart, for the Cobras themselves, and for Willie Smith. It is a pleasure and a privilege to call their accomplishments to the attention of my distinguished colleagues, and I extend my congratulations and best wishes to the Cobras for a successful celebration.

INTRODUCTION OF THE CORRECTIONAL EDUCATION ASSISTANCE ACT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. CONYERS. Mr. Speaker, today I rise to introduce a bill that would direct sorely needed funds to a population that, without assistance, will continue to be a great cost and a burden on society. The people I speak of are the rising population of unskilled, incarcerated individuals who, without help, stand to remain dependent on society for most of their lives.

We have a huge stake in our inmate population; 95 percent of all offenders leave prison after less than 2 years. After hitting the streets, half end up right back in prison. Our prisons now hold a record 580,000 people and rising. Another 275,000 are in jails and 83,000 children are in juvenile facilities.

This means almost a million people are imprisoned today, dwarfing the size of most American cities. If we include parolees, 4 million people are under correctional supervision; 4 million and rising.

One out of every thirty adult males is under some type of correctional supervision. One in twelve black males in their twenties are incarcerated. In fact, there are now more black males in prison than in college full time. Without a real improvement in the prospects for rehabilitation, we are in danger of losing a generation.

To look for a cause, we only need examine a profile of the inmate population. Nearly 95 percent of inmates do not possess the basic skills needed for the most menial employment. Ninety percent did not finish high school and half cannot read or write.

The costs of the revolving crime-and-incarceration door are staggering. We spend up to $24,000 for a single State or Federal inmate each year, and maximum security runs as high as $35,000.

But if society's goal is to punish, the question is, Who is punishing whom? We are paying a massive and rising cost in crime and incarceration. By overcrowding—by incarcerating without rehabilitating—we are accessories to the high recidivism rates.

The most practical rehabilitative tool is education. Education socializes and provides a positive self-image. Mere confinement without education or job training only delays the time when these offenders return to the streets without addressing the issues which caused them to break the law initially.

And rehabilitation is less expensive than incarceration. It costs between $50,000 and $100,000 to build one new prison bed; plus the annual $20,000 to $35,000 to feed and house an inmate. Tuition at the most prestigious colleges in America are just a fraction of those costs. Yet prisons only spend 7 percent of their budgets on education.

Rather than simply warehousing offenders, we must try to replicate successful rehabilitation programs at the State level. For example, the Berrien County, (MI,) Juvenile Center provides a full range of educational and vocational programs resulting in a 50-percent success rate. And studies have shown that parole failure rates decrease by more than 33 percent for participants in correctional education programs.

We were fortunate enough to pass my correctional education bill as part of the Omnibus Education Bill of 1987, which dedicated 10 percent of all adult basic education funds to prison education. It has provided some much needed funds to the Department of Education and National Institute of Corrections for education.

Unfortunately, this only scratches the surface of the real need. We can look to Lorton, where inmates are doing little more than watching TV and shooting hoops. The level of boredom is sinful. For them, and thousands of other inmates, prison is little more than a classroom for criminal behavior, and the entire idea and opportunity for rehabilitation has been ignored.

So I am again introducing legislation; this time to infuse $50 million into prison education. The bill would establish a correctional education office within the Department of Education to grant money to State and local providers and community based organizations. These are the people who can provide the best examples of success for those so in need of examples.

The only way we will truly mend the situation is through a massive investment in our youth—education, employment help, aid to children, new housing stock. If we find ourselves unable to make such a massive commitment, the least we can do is direct funds to those most in need, to free prison inmates of their bonds of illiteracy and lack of employable skills so that when the prison doors open, they will not find every door but that marked "crime" closed for them.

A TRIBUTE TO MARGARET "MAGGIE" SCHELEN

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. FAZIO. Mr. Speaker, I rise today to salute my dear friend Margaret "Maggie" Schelen because of the outstanding contributions she has made to the community and the help she has given me which has enhanced my ability to serve my constituents.

Maggie was born in Philadelphia to Charles and Mary Ring. The second daughter and third child of Armenian immigrants who came to America seeking refuge from the oppression and tyranny of the Ottoman Empire. The Ring family moved to California when Maggie was 2 months old. The climate was more like the "old country."

Maggie's parents instilled a love of reading in her. Intellectual stimulation and the impor-

tance of challenging the injustice of society were family goals. Charles Ring was instrumental in starting the Ladies Garment Worker's Union in Los Angeles in the 1920's. This union was one of the more progressive of the day, fighting for decent wages and better working conditions. They attempted to eliminate the infamous sweatshops where immigrants who could find no other jobs were forced to work.

Maggie attended Los Angeles City College where she studied to become a dental assistant. In 1941, she married Robert Edward Schelen. The Schelen family built their home in Arcadia, CA, where their two children Delilah Ann and Robert (Bob) Charles were born.

While taking time to raise her children, Maggie became involved in many local organizations. She was a Camp Fire Girl mother. She had been a Camp Fire Girl herself. Maggie was also an active PTA member. Here's a typical Maggie story. At one point, PTA members told her that she could not ride her bicycle to meetings. They suggested that she should walk or drive because they felt it was not dignified to ride a bicycle to meetings. Maggie's solution? She put bells on her bicycle to announce her arrival.

As a PTA member she suggested several reforms for the schools. She proposed that some classes be geared for students that might not be able to or have the inclination to go to college. This was a daring suggestion at the time and she was severely chastised for it. But that's Maggie, always forward thinking, always caring about others, and always looking out for those who might slip through the cracks.

In 1960, Maggie began to work outside of her home again. She worked at St. Luke's Hospital and then for an insurance company. It was during this period that the late Jess Unruh, the former California State Treasurer and Speaker of the California State Assembly, would ask Maggie to work for him because he needed someone with her people skills in his district office.

In 1965, she began working in Unruh's district office. There she served as the constituent relations representative and on her own time served as volunteer coordinator for the Unruh political organization. This was a master stroke and it was here that Maggie found her true calling. One year later, as a CORO Foundation intern I was assigned to Unruh's office. This is where I met my surrogate mother, Maggie.

In 1970, Maggie headed the Unruh for Governor volunteer organization. The next year, she accepted a position with then Assemblyman David Pierson and moved to Sacramento where she has resided ever since. In 1973, she was asked to join the staff at majority services. Maggie worked there for 12 years until her retirement in 1985.

Upon her "retirement," I was first in line to ask her to join my staff. Rather than enjoy her retirement in leisure, she spends the greater part of each week as a constituent caseworker in my Sacramento District Office. In the office, Maggie handles some of the most difficult cases, working with the Office of Personnel Management to solve the problems of my constituents. Nothing can get by Maggie; one can often find her on the telephone, insisting that our constituents be treated fairly. She is persistent when needed so that people no longer feel "wronged" by the Federal Government. If it weren't for Maggie, there would be some very unhappy and disgruntled constituents in the Fourth Congressional District.

Everywhere Maggie goes, she either has friends or makes them along the way. Every time Maggie introduced me to "someone I needed to know," I enjoyed the benefit of the respect and admiration people have for her.

It's hard to put into words how much love and dedication Maggie has for others. If there is ever anything Maggie can do for someone she will do it, gladly and without expecting anything in return. She has adopted me and many others as her own. When she calls you one of her kids she really means it. This means that she will help you out in any way she can, watch out for you, and tell you when you get out of line. Being part of Maggie's family is a special honor. Maggie is a special person. Thank you Maggie for all you have done and all you will do.

JONATHAN LEARY HONORED

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Jonathan Leary, of Barrington, RI, this year's recipient of the First Annual Ronald K. Machtley Award for Barrington High School in Barrington, RI.

This award is presented to the student, chosen by Barrington High School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Jonathan has clearly met this criteria by graduating first in his class and earning membership in the National Honor Society and Rhode Island Honor Society. He has also participated in the Rhode Island Academic Decathlon and has been active in the Math League. Jonathan's extracurricular activities include being on the Barrington hockey, baseball, and cross-country team. He was a cocaptain of the hockey team this past year.

I commend Jonathan for his achievement and wish him all the best in his future endeavors.

STATEMENT REGARDING THE RECENT ELECTIONS IN POLAND

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. VISCLOSKY. Mr. Speaker, we have seen a triumph of the human spirit in Poland this week. The Polish people in their struggle for basic rights and democracy have dealt an oppressive Communist regime a startling blow. Not only have they forced a multicandidate election, but they have sent a resounding message to the world by overwhelmingly electing Solidarity candidates.

I believe that Lech Walesa and Solidarity deserve praise for bringing about the elections. It is a fundamental step in the journey toward freedom. Any time people are given the opportunity to express their approval or disapproval of a candidate or government, the ideals of democracy are reaffirmed and strengthened.

Solidarity's success is so overwhelming that the Communist Party is suggesting that Solidarity join it in a governing coalition.

While unprecedented in the Soviet bloc, Solidarity is justly wary of the Communist Party's sincerity in relinquishing some of its power so easily. Although the elections were the first "free" elections in Poland since World War II, the Communist Party was guaranteed control of the Parliament and the remainder of the government.

Nevertheless, this is another step toward a freer and more democratic Poland.

As events in Poland continue to unfold, I believe it's appropriate to remember two points made by Abraham Lincoln that are especially relevant today. First, Lincoln said that the ballot is stronger than the bullet, and second, that no man is good enough to govern another person without the other's consent.

I encourage my colleagues to use the talents and energy that have made this House "the fundamental institution of democracy" to counsel, encourage, and support those who aspire to bring freedom to Poland.

A TRIBUTE TO IMBT LABORATORIES

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. RITTER. Mr. Speaker, Friday, June 9, 1989, marks a unique milestone for construction and engineering in America. This day marks the dedication of the Herbert R. Imbt Laboratories at Lehigh University's Advanced Technology for Large Structural Systems [ATLSS] Center—the National Science Foundation's only research center devoted exclusively to large structural systems research for the construction industry.

Mr. Speaker, Imbt Laboratories at the ATLSS Center has drawn attention and support from a spectrum of people from my congressional district and from across the country—educators, community leaders, government officials, engineers, and contractors. I want to especially thank Herbert R. Imbt, the Nation Science Foundation, and the Commonwealth of Pennsylvania for their contributions and foresight, as well as President Peter Likins, Chairman Edward Uhl, the trustees, and the faculty of Lehigh for their support of this project.

Mr. Speaker, I would also like to bring to your attention the comments of Dr. John Fisher, who is a friend and a fellow colleague from Lehigh University. A professor of civil engineering, and the director of the ATLSS center, Dr. John Fisher has said:

That the laboratory and other center research will lead to more accurate testing

and to development of a more comprehensive knowledge base—something the U.S. construction industry needs desperately to halt the rapid decay of the Nation's infrastructure and improve its competitiveness in domestic and world markets.

Mr. Speaker, the Herbert R. Imbt Laboratories, at Lehigh University, is the largest facility of its kind in the world. It is a state-of-the art, $7.5 million, multidirectional structural testing laboratory that will be used to conduct tests of large structural systems and components at their actual sizes, rather than on a small scale. The laboratory and ATLSS Center will continue, into the 21st century, Lehigh's tradition of pioneering structures research.

Lehigh University's ATLSS Center's main goal is to advance research and education that will help make large structural systems—bridge spans, skyscraper sections, and offshore oil rigs—in the United States safer, more reliable, and easier to maintain.

Mr. Speaker, I am proud to have the Imbt Laboratories and ATLSS Center in my district. I am proud to be able to participate in the dedication, and I'm glad to be the team player in Washington that helped to secure initial Federal support. I'm sure that the ATLSS Center—with the new Imbt Laboratories—will continue its unique, pace-setting, contributions to the health and well-being of our Nation's vital infrastructure.

THE FSX AGREEMENT

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. SYNAR. Mr. Speaker, yesterday I voted for a substitute amendment by Congressman TERRY BRUCE to Senate Joint Resolution 113, the resolution on the FSX fighter plane agreement between the United States and Japan.

The amendment will tighten up the FSX agreement as renegotiated by the Bush administration. The amendment puts forth two mandates to the administration as it negotiates the terms of the coproduction memorandum of understanding [MOU] with the Japanese.

First, it requires the coproduction agreement to specify that the United States receives a 40 percent share of the FSX production work. The development costs of the F-16 have been estimated at $7 billion. Without this requirement, U.S. industry is guaranteed to receive only $480 million for codevelopment. Given our $55 billion trade deficit with the Japanese, this provision is a crucial one.

Second, the Bruce amendment places express prohibitions on technology transfer relating to the deal. The amendment bans the transfer of critical engine technology that have been developed by U.S. efforts and resources. It also prohibits the transfer, sale, or retransfer of the FSX technology to a third country.

It's clear to me that, without the safeguards in the Bruce amendment, the FSX agreement is a bad one for the United States. In fact, given Japan's intention to become competitive in the civilian aircraft industry, the deal may hurt the United States even if a 40 percent production guarantee and technology transfer prohibitions are included. Experts disagree on the applicability of FSX technology to the manufacture of civilian aircraft.

However, with the defeat of the resolution of disapproval in the other body, this amendment is the best we in the House of Representatives can do to alter the FSX agreement in our favor. Future administrations will need to take more care in negotiating deals which provide short-term fixes while neglecting long-term damage to our economy. I hope that this agreement does not come back to haunt us.

NINITA V. MARZETTA RECEIVES AWARD

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Ninita V. Marzetta, of Middletown, RI, this year's recipient of the First Annual Ronald K. Machtley Award for Middletown High School in Middletown, RI.

This award is presented to the student, chosen by Middletown High School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Ninita has clearly met this criteria by being a member of the National Honor Society and the Spanish Honor Society. She was president of the student council and vice president of her class. She has also been very active on the yearbook and as a member of the homecoming committee. Outside of the school, Ninita has been a volunteer at the physical therapy department at Newport Hospital.

I commend Ninita for her achievements and wish her all the best in her future endeavors.

A THANK YOU FOR DOROTHY BAILEY

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. POSHARD. Mr. Speaker, I rise today to relate some bittersweet news to the Members of Congress, and to the residents of southern Illinois whom I'm privileged to represent.

Mrs. Dorothy Bailey is someone you may not know, but you need to know more about. There are probably Dorothy Bailey's in every community in this country, and she and those like her are literally the lifeblood that keeps our home fires burning and our lives more meaningful.

Not long from now, Mrs. Bailey will step down from her position as executive secretary for the United Way serving the Herrin, IL area. It is an understatement to say she will be missed.

Dorothy moved along with her husband Gerald from her native St. Louis to Herrin in 1956. She promptly started the newcomers program, and it's estimated she's helped welcome over 30,000 new residents to Herrin since then. They surely knew immediately they had at least one good friend they could count on in a time of need. In 1959, community leaders approached her to seek her service on behalf of the Herrin Area United Way. The rest, as they say, is history.

In 30 years of distinguished service, Dorothy Bailey has never once failed to meet the fundraising goals of the United Way. That's 30 for 30, a batting average Stan Musial would be proud of, and a record that puts her at the very top of United Way executives in the State of Illinois.

In that time, she's raised over $1.2 million from a community of some 10,000 persons. They gave because they knew she would be a wise steward of their gifts, and the record of the United Way shows that to be true.

What has been the result of her service to the people of Herrin, IL? Young people have enjoyed the opportunity to play sports and realize the potential of their youth. Scouting has been able to teach the principles of citizenship we need so badly to hundreds of youngsters. Families torn apart by the effects of domestic violence have held her helping hand through assistance to family shelters. Families equally gripped by the challenge of mental illness or retardation have found community support available by United Way funding of programs that come to their rescue. People with no place to live, nothing to eat, and really nowhere to go have been given hope by the community food and assistance programs her efforts have helped support. I dare say it's doubtful there's anyone in the Herrin area that hasn't been helped in some way, big or small, by Dorothy's desire to help and willingness to lead.

The old saying goes, if you want something done, you ask a busy person. That must be true in this case, because all this time, Dorothy and Gerald were busy raising three lovely children, Beverly, Susan, and Kay. She's also been involved actively in the spiritual well-being of her community, being actively involved in the First United Methodist Church.

I said the news is bittersweet. Bitter because we will miss her many contributions to the community. But sweet, because she has promised to continue her volunteer efforts in a number of ways, and because she now has a chance to enjoy the many fruits of her labor.

We know many people like her, by different names, who make such a difference in the quality of life we lead in the communities we make our homes in. But as I know, and now as the rest of the Nation knows, there is only one Dorothy Bailey.

I'm pleased and proud to represent her in Congress.

ACCOUNTABILITY: A WAY TO PREVENT ENVIRONMENTAL PROBLEMS AT FEDERAL FACILITIES

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. WYDEN. Mr. Speaker, today, I am introducing a bill that will help prevent new hazardous waste problems at federally owned facili-

ties by making operators more accountable for complying with the law.

Many of the environmental problems at the Federal Government's own facilities—including the multi-billion dollar problems at Department of Defense and Department of Energy facilities—could have been avoided if we had properly handled the hazardous wastes there in the first place. Incredible as it seems, despite all the publicity last year about problems at these facilities, many are still not in compliance with RCRA, the central Federal hazardous waste law designed to prevent new problems from happening.

One of the reasons the compliance record is so poor is that those operating the plants—often government contractors—are not being held accountable when they break the law.

Last Congress I introduced a bill, H.R. 3783, to make contractors accountable for problems under their control. Today, I am offering an improved version, based on what we learned during committee consideration of the bill.

The new bill has three parts. Part one makes the hazardous waste operator permits at Federal facilities enforceable against the facility contractors. At many facilities today, only the agency's name appears on the permit, even though a contractor is making the day-to-day operating decisions.

Part two sets up a program that will prevent criminal and chronic violators of the hazardous waste laws from enjoying new Federal contracts. A similar program has worked for years under the Clean Air and Clean Water acts to give contractors added incentive to follow the law.

Part three will stop agencies from refunding contractors' fines, penalties, and legal fees for RCRA violations that contractors could have prevented. Without this provision, agencies may continue to shield the contractors from the consequences of breaking the law.

This bill will help stop hazardous waste problems before they happen—before they become a burden on the environment and the taxpayer. I encourage my colleagues to consider this bill carefully. I believe it is a fair and practical step toward improved environmental conditions at Federal facilities.

THE BILL OF RIGHTS BEGAN HERE 200 YEARS AGO TODAY

HON. LINDY (MRS. HALE) BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mrs. BOGGS. Mr. Speaker, on this day 200 years ago, Congressman James Madison of Virginia introduced a series of amendments to the Constitution of the United States that became known as the Bill of Rights. This was the beginning of months of debate in Congress and a 2-year long ratification process by the States before the amendments would become part of the Constitution.

In commemoration of the accomplishments of the First Congress and those that followed, the Library of Congress is preparing a major exhibition entitled "To Make All Laws." It will open in September this year. Also the Commission on the Bicentennial of the U.S. Constitution will focus on the BIll of Rights with a number of events and programs in 1991, the 200th anniversary of ratification.

In the meantime, let it be known that here in the House of Representatives we remember with profound gratitude the Members of the First Federal Congress who gave to us, and the world, the vital legacy of freedom contained in the Bill of Rights.

HUMAN RIGHTS IN KENYA

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. YATRON. Mr. Speaker, I want to take this opportunity to share with our colleagues some of the latest developments in Kenya. I welcome the release of all prisoners in Kenya who have been detained without trial or charge. A pardon and amnesty for Kenyan dissidents in exile who are willing to return home has also been announced. On June 1, the Kenyan Government ordered four political detainees freed. Some of the prominent Kenyans scheduled to be released include: Lawyers Wanyiri Kihoro, Samuel Okumu Okwany, and Mirugi Kariuki; businessmen Raila Odinga, and Israel Otieno Agina, professor Mukaru Nganga; and air force private Richard Obuon Guya.

As chairman of the Subcommittee on Human Rights and International Organizations, I have been deeply concerned over deteriorating human rights conditions in Kenya. Over the last few years the Kenyan Government has become increasingly repressive and intolerant of dissent. I am hopeful that the recent positive actions in Kenya signal a reversal of this ominous trend and will lead to greater reforms and improvements in human rights. Specifically, the Kenyan Government should be encouraged to restore the independence of the judiciary and the authority of Parliament, return to election by secret ballot, allow greater freedom of expression, and ensure prison conditions meet international standards with an end to torture.

Kenya remains a valuable United States ally in Africa. A strong and stable Kenya is critical to United States security interests, the African continent, and of course, the Kenyan people. That is why restoration of basic democratic freedoms and human rights in Kenya is so important. It will enhance prosperity and the Kenyan people's confidence in their system of government.

STEPHEN N. CHASSE, JR., HONOR STUDENT

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Stephen N. Chasse, Jr., of Cumberland, RI, this year's recipient of the first annual Ronald K. Machtley Award for Davies Vocational School in Lincoln, RI.

This award is presented to the student, chosen by Davies Vocational School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Stephen has clearly met this criteria by being a member of the Rhode Island Honor Society. A graduating senior in the electronics program, Stephen won first place in the Rhode Island Vocational Industrial Clubs of America Olympics, which allows him to represent Rhode Island in the national electronics competition.

I commend Stephen for his achievements and wish him all the best in his future endeavors.

BUTCHER OF BEIJING

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. BERMAN. Mr. Speaker, China teeters on the brink of civil war. By his decision to unleash the so-called People's Army on the peaceful prodemocracy demonstration in Tiananmen Square, Deng Xiao Ping will go down in history as the "butcher of Beijing." Deng has, once and for all, ended the era of reform that he helped usher in. Worse yet, he has ruthlessly declared war on the legacy of that reform movement.

In the face of such brutal repression, the imperative for swift retaliation from our Government was overwhelming. I wholeheartedly endorse the President's actions suspending military sales and military cooperation with China. I further commend the President for his decision to provide compassionate review to Chinese students in this country who wish to extend their visas.

But this is only a beginning. I urge the President to use the full power of his office to convey the seriousness with which the United States regards China's contempt for basic standards of human decency. United States cooperation with the People's Republic of China was established on the premise that China was moving toward a more open society. Our response to the massacre in China should reflect the fact that this expectation has not been met.

To this end I will seek a meeting with the Chinese consul general to protest the bloodshed. I will use every resource to help Chinese living in this country to support and comfort their compatriots in Beijing. Today, we must stand with the courageous Chinese citizens who have risked their lives for the cause of freedom.

HONORING OUTSTANDING GRADUATES OF ST. CHARLES PREPARATORY SCHOOL

HON. CHALMERS P. WYLIE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. WYLIE. Mr. Speaker, it is a great honor for me to share the good news that St. Charles Preparatory School in Columbus, OH, has achieved what I believe to be unprecedented distinction.

This year, eight graduates from St. Charles' class of 1989 have been accepted to attend our U.S. service academies. Hugh Joseph Dorrian, James A. Best, Timothy Pione, and Matthew T. Strausbaugh have been accepted to attend the U.S. Naval Academy. Mark A. Eberle and Jason Jon Ottman have been accepted to attend the U.S. Military Academy.

In addition, Edward A. Ferguson III will attend the U.S. Naval Academy Preparatory School and Baldomero Silva III has been accepted to participate in the Naval Academy's Broadened Opportunity for Officer Selection and Training Program [BOOST].

A 1988 St. Charles graduate, Shawn Sweeney, will attend the Naval Academy after spending a year at the Academy's prep school, and his former classmate, Brady Brady, is a naval enlistee who appears to be bound for Annapolis based on his service record and his transcripts.

One of the emoluments of my office which gives me great pleasure is to be able to nominate outstanding young people for attendance at our service academies. Talking with them gives me confidence that the future defense of our country is in good hands.

I do not know of any other school in the United States which has accomplished such a feat, and I congratulate the faculty and administration of St. Charles for producing these exemplary graduates. These young men have worked hard and long to attain their goal, and it is an honor for me to say that I nominated six of these gentlemen as residents of the 15th Congressional District of Ohio.

INTERSTITIAL CYSTITIS AWARENESS DAY

HON. JIM BATES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. BATES. Mr. Speaker, I rise today to call upon the United States to honor "Interstitial Cystitis Awareness Day." Interstitial cystitis is a very painful ailment which affects over 500,000 people throughout the United States. The ratio of men to women who are burdened with the disease is 10 to 1.

It remains virtually impossible to treat—although there are a variety of therapies, some of which help some of the patients some of the time. But doctors have learned a great deal more about this bladder disorder, finding that it is more common than previously thought, more debilitating, and painful than any other urological disease. For many women, it makes holding a job impossible.

This disease is a urological disease which is directly associated to the inflammation of the bladder wall. This inflammation causes intermittent or chronic pain. Although the disease is not fatal, the pain becomes unbearable sometimes causing the victims to take their own lives. Research is now being done to find the unknown cause of this disease.

In addition to the large number of people afflicted with the disease, it also has an adverse effect on America's economy. Studies have estimated the economic impact of the disease is $1.7 billion each year in lost productivity, wages, and medical costs.

Prior to 1987, interstitial cystitis was an "orphan" disease and ignored by Federal funding. Then in fiscal year 1987, Congress granted $1.1 million for research and development of the disease. In 1989 the Interstitial Cystitis Association is asking Congress for $2 million to bring interstitial cystitis up to par with other urological diseases.

Please join me in declaring November 16, 1989 as "Interstitial Cystitis Awareness Day." America needs to become educated on all diseases affecting the people of our country.

PATRICIA C. FARICY NATIONAL HONOR SOCIETY STUDENT

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Patricia C. Faricy, of North Smithfield, RI, this year's recipient of the First Annual Ronald K. Machtley Award for North Smithfield Junior-Senior High School in North Smithfield, RI.

This award is presented to the student, chosen by North Smithfield Junior-Senior High School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Patricia has clearly met this criteria by being a member of the National Honor Society and the Rhode Island Honor Society. She has been active within her school as a member of the student council, math team, Students Against Drunk Driving and yearbook staff. A very well rounded student, Particia also recently won the URI Book Award, Excellency in Art Award, and was a first place winner in the social studies fair.

I commend Patricia for her achievements and wish her all the best in her future endeavors.

THE BASEBALL VIEWERS PROTECTION ACT OF 1989

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. SCHUMER. Mr. Speaker, not long ago, baseball on television in New York was as much a part of summer as picnics and walks in the park. But that has changed. Now the sweet sounds from the ball park have been replaced by bitter squabbles between cable companies over broadcast rights and contract terms.

First came the sudden move of major league baseball from free television to cable. After years of showing over 100 Yankee games on free television, the rules changed. Two seasons ago, the Yanks moved those 100 games to cable television, where virtually no one in their home city outside of Manhattan could view them. To this day, much of the Boroughs of Brooklyn, Queens, and the Bronx are not wired for cable.

This season, insult was added to injury. Cable companies and programmers in a never-ending battle over rate structure and service tiers have begun keeping baseball games off cable systems as well as free television! The baseball games are just ammunition in corporate combat between cable companies. In the end, its the fans who suffer the casualties.

In all this, the fan—the consumer—is powerless. Cable subcribers all over the Nation are facing the same problems. Programming being moved or held hostage without notice is commonplace on cable systems. And many large cities and small towns can't buy cable programming even if they wanted to because cable isn't yet offered in their neighborhood.

Today I am introducing the Baseball Viewers Protection Act of 1989. The bill requires that major league teams entering cable contracts broadcast at least 50 percent of their games on not-for-pay TV stations. It also requires that games contracted for cable television must actually be shown. Any team in violation of the provisions of the bill will lose their antitrust exemption for 2 years. The bill only applies to teams that have traditionally shown 65 percent of their games on not-for-pay TV.

The exemption from antitrust legislation that Major League Baseball has been granted is a privilege which Congress has left intact for many years. In return for that privilege, baseball should continue to operate in the public interest.

The message of the Baseball Viewers Protection Act of 1989 is clear: baseball is more than the national pastime. It is a national treasure. If baseball clubs, programmers and cable companies want to continue business as usual, then they'll have to do it without the benefit of a congressional antitrust exemption.

ADDRESS URGENT HUMAN NEEDS IN CENTRAL AMERICA

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. DORGAN of North Dakota. Mr. Speaker, today, along with 10 colleagues, I am introducing legislation urging the President to establish specific improvements in the health, nutrition, and education levels of children, women, refugees and others most in need in the poorest countries of Central America. The resolution would direct the President to make this a fundamental goal of U.S. policy. Our intention is to make these proposals major building blocks of our Central American policy in this Congress.

Extreme poverty remains the lot of too many men, women, and children living in Central America, and the Caribbean. The mortality rates of children under age 5 and mothers remain unacceptably high in countries such as El Salvador, Guatemala, and Honduras. We must join in a partnership with our neighbors to promptly tackle these problems.

A NEW STRATEGY FOR REFUGEES

In addition, Central America faces a staggering challenge in helping more than 2 million refugees, aliens, and displaced people who have been driven from their homes and communities by persistent civil strife. Central American governments recently met to define a new strategy for dealing with needs of all displaced persons. This approach would integrate refugees and displaced persons into their country of asylum, help them to find jobs, or assist them to return to their home countries instead of confining them to emergency camps.

Our resolution makes refugee assistance a top priority, as called for in the Arias Peace Plan, the Report of the International Commission for Central American Recovery and Development, and the Report of the Inter-American Dialogue. I am including for the RECORD an article from the New York Times which describes the magnitude of refugee problems, the importance of its resolution to the success of the Central American peace process, and the new strategy being considered to advance solutions.

Improvements in the health, nutrition levels, education, and general well-being of people in Central America are essential to the growth and strengthening of democratic societies there, and in the best interest of the United States. International organizations, such as UNICEF and the Pan American Health Organization [PAHO], are striving to improve the health of the disadvantaged, through initiatives such as "Health: A Bridge for Peace in Central America," and our own Agency for International Development is required to focus its development assistance on the poor majority. Our resolution seeks to reinforce those activities.

The Congress has consistently supported efforts to improve the health and well-being of children, women, and others most in need. It has done so in particular through funds voted for the Child Survival Fund to support immunization, oral rehydration therapy, improved nutrition, and other essential interventions, and other funds provided by the Congress and used by the Agency for International Development for child survival and education activities. Congress also authorized a special Child Survival Assistance Program last year to provide prosthetic devices and other emergency medical care for civilian victims of the war in Nicaragua.

A FUNDAMENTAL POLICY GOAL

This resolution, then, urges the President to establish specific and measurable improvements in the health, nutrition, and education levels of children, women, and others most in need living in the poorest countries of Central America as a fundamental goal of U.S. policy for the next decade and to take all appropriate steps to ensure that the established targets are attained. It further stresses the importance of a new strategy for solving the enormous refugee problem in Central America.

Some of the targets mentioned in this legislation are 50 percent reductions in child mortality due to diarrhea disease and in maternal mortality rates as target levels—to be achieved within 5 years; rates of immunization against the most common immunopreventable diseases of or above 80 percent as a target—to be attained within 5 years; strategies to provide universal literacy and numeracy attainment within the next decade for students in primary schools.

I cannot emphasize enough how much the success of peace efforts depends on addressing the urgent need of poor and displaced people in the region. I firmly believe that we need to start shaping some new initiatives to undergird the ongoing peace process in Central America. Toward that end, I encourage other colleagues to cosponsor this resolution, whose text follows:

H. CON. RES. —

Whereas approximately 1,000,000 Central Americans live in extreme poverty and more than 1,000,000 Central Americans are refugees or are displaced in their own countries;

Whereas the mortality rates of children under the age of five and mothers remain unacceptably high throughout Central America, particularly in El Salvador, Guatemala, and Honduras;

Whereas improvements in the health, nutrition levels, education, and general well-being of people in Central America are essential to the growth and strengthening of democratic societies there, as well as the long-term political and economic stability of the region;

Whereas efforts to reduce the plight of refugees and displaced people in Central America enhance regional stability and, therefore, coincide with the interests of the United States;

Whereas the International Commission for Central American Recovery and Development recently set out a plan of immediate action to help the most vulnerable groups in the region, to increase employment opportunities, and to provide food assistance through targeted programs, including food-for-work and food stamps;

Whereas the Ministers of Health and the Ministers for Social Security of six Central American nations have stated their "resolve to provide priority care to groups hitherto disadvantaged with respect to access to health services and to those at greatest risk: children, women, workers in the countryside and marginal areas, refugees, displaced persons, and all who are socially and economically depressed";

Whereas international organizations, such as the United Nations Childrens Fund and the Pan American Health Organization, are striving to improve the health of the disadvantaged through initiatives such as Health: A Bridge for Peace in Central America;

Whereas the Agency for International Development is required to focus its development assistance on the poor majority; and

Whereas the Congress has supported efforts in Central America to improve the health and well-being of children, women, and others most in need by providing funding for the Child Survival Fund to support immunization, oral rehydration therapy, improved nutrition, and other essential health interventions, and other programs used by the Agency for International Development for child survival and educational activities: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) urges the President to address basic human needs as a priority of foreign assistance to Central America through—

(A) funding for increased opportunities for refugees, displaced people, and those living in extreme poverty to engage in productive, sustainable employment; and

(B) setting specific and measurable goals relating to the improved health, nutrition, and education levels of children, women, and others most in need in Central America;

(2) urges the Administrator of the Agency for International Development, in implementing the goals referred to in paragraph (1)(B)—

(A) to strengthen programs to address the needs of the victims of war, including amputees and others most severely affected by war;

(B) to increase the number of immunizations provided to Central Americans, with the goal of immunizing 80 percent of the Central American population within five years against the most common diseases preventable by immunizations, including efforts to eradicate polio and prevent tetanus for pregnant women;

(C) to strengthen programs to reduce child mortality due to diarrheal disease by 50 percent within five years and to reduce maternal mortality rates;

(D) to develop strategies to provide universal literacy and numeracy attainment within the next decade for children of primary school age; and

(E) to develop a program to provide supplies of safe water to rural areas;

(3) urges the President to alter distribution of food assistance to Central America—

(A) by increasing funding for targeted assistance under title II of the Agricultural Trade Development and Assistant Act of 1954 and reducing the level of assistance under title I of the Act; and

(B) by structuring food assistance in a manner which follows the recommendations of the International Commission for Central American Recovery and Development; and

(4) urges the President to request full funding for payment of the United States assessed contribution to the Pan American Health Organization, including payment of all arrearages.

[From the New York Times, May 29, 1989]

NEW AID STRATEGY FOR LATIN REFUGEES

(By Paul Lewis)

GUATEMALA, May 28.—A new strategy for helping the more than two million refugees and others driven from their homes by decades of civil strife in Central America is expected to be endorsed by an international conference starting here on Monday.

The strategy, which has been debated by refugee experts for more than a year, calls on Central American governments to stop confining refugees to camps and to help them return home or to get jobs in the country of asylum, ending their dependence on emergency aid.

Western governments, humanitarian organizations and aid agencies, whose representatives will be attending the conference, will be asked to help by financing employment projects. Italy has already offered $115 million toward the expected $365 million cost

of creating a more normal life for Central American refugees.

But the conference will also urge Central American governments and refugee agencies to pay greater attention to the many so-called internally displaced people driven from their homes by violence and natural disasters. Many of these do not qualify as refugees under current international law and as a result often receive scant help from international aid agencies.

A MODEL FOR OTHERS

The proposed strategy is seen by experts as a model for dealing with many of the world's more than 20 million refugees as other conflicts are brought to an end.

"At Guatemala we hope to creat a model for dealing with the refugee crises in Africa and elsewhere, which involves replacing emergency relief with projects to incorporate refugees into national development," Jean-Pierre Hocké, the United Nations High Commissioner for Refugees, said in a recent interview at his Geneva headquarters.

The present international machinery for dealing with refugees, essentially comprising the United Nations High Commissioner for Refugees and a convention defining the rights of refugees, dates from the 1950's when international concern was focused on the plight of Europeans left homeless by the World War II and the spread of Communism in Eastern Europe. The 1951 Convention, for example, defines refugees in essentially cold-war terms, saying they must have fled to another country to escape "a well-founded fear of persecution."

Today, most refugees are in the developing world and are victims of violence and natural disasters, not ideological persecution.

MANY GET NO HELP

While the United Nations High Commissioner for Refugees, with an annual budget of some $600 million, accepts responsibility for caring for about 12 million refugees, up to 14 million more do not qualify for its help, usually because they have been displaced within their own country, according to the Refugee Policy Group, a private American organization based in Washington.

Various efforts to liberalize the definition of a refugee have been made over the years. But the major Western governments refuse to change the mandate of the United Nations High Commissioner for Refugees or the 1951 Convention, fearing an influx of third world migrants in search of a better life.

Instead, they argue that those made homeless by civil wars are the responsibility of the Red Cross, though governments are often reluctant to let it operate in areas of conflict.

The proposed new policy seeks to break through these constraints by shifting the emphasis away from humanitarian relief toward treating refugees as part of their host country's development process.

It does this by urging the United Nations High Commissioner for Refugees to cooperate with the United Nations Development Program, an aid-giving organization, in developing economic projects that will provide employment for refugees, for those who elect to return home and for internally displaced people, instead of confining them to camps.

SOME GOVERNMENTS RESIST

United Nations officials concede their proposals are controversial with some governments. In Honduras, for instance, refugee workers report that the military authorities distrust refugees from El Salvador and Nicaragua, whom they see as potential troublemakers, and keep them in guarded camps.

The success of the plan therefore depends on a relaxation of tensions within the region, making it easier for refugees and internally displaced people to return home voluntarily or to be accepted into the local communities.

CENTRAL AMERICA'S REFUGEES

[Estimates for each country for this year]

	Political refugees	Undocumented aliens	Internally displaced people
Belize	5,100	25,000	0
Costa Rica	40,800	250,000	0
El Salvador	500	20,000	400,000
Guatemala	3,000	220,000	100,000
Honduras	37,000	250,000	22,000
Mexico	53,000	128,000	0
Nicaragua	7,000	0	350,000
Total	146,400	893,000	872,000

Source: United Nations High Commissioner for Refugees

Officials stress that the Guatemala conference is an integral part of the Central American peace process approved by the Presidents of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. The agreement calls for urgent attention to be given to refugees and internally displaced people.

Prolonged strife and civil war in Nicaragua, El Salvador and Guatemala have forced two million people to abandon their homes over the past decade, according to estimates of the United Nations High Commissioner for Refugees.

About 140,000 certified refugees are currently being helped by the international community. But over six times that number have fled their countries for reasons similar to those of the refugees, although they have not registered as refugees and are mostly living illegally in neighboring countries.

In addition, 870,000 have been displaced within their own countries. El Salvador is estimated to have 400,000 such people, Nicaragua 350,000 and Guatemala 100,000.

JENNIFER JONES RECEIVES AWARD

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1989

Mr. MACHTLEY. Mr. Speaker, it is my distinct pleasure to congratulate Jennifer Jones, of Cranston, RI, this year's recipient of the First Annual Ronald K. Machtley Award for St. Dunstan's School in Providence, RI.

This award is presented to the student, chosen by St. Dunstan's School, who demonstrates a mature blend of academic achievement, community involvement, and leadership qualities.

Jennifer has clearly met this criteria by being an honor roll student. Her extracurricular activities include being a member of Students Against Drunk Driving and a founding member of Amnesty International in her school.

I commend Jennifer for her achievements and wish her all the best in her future endeavors.